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MACKENZIE VALLEY PIPELINE INQUIRY

Government
Publications

IN THE MATTER OF APPLICATIONS BY EACH OF

- (a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE YUKON TERRITORY AND THE NORTHWEST TERRITORIES, and
 - (b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE NORTHWEST TERRITORIES
- FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE

and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION, OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE PROPOSED PIPELINE

(Before the Honourable Mr. Justice Berger, Commissioner)

Yellowknife, N.W.T.

• September 8, 1976.

PROCEEDINGS AT INQUIRY

Volume 181

CANADIAN ARCTIC
GAS STUDY LTD.

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APPEARANCES:

Mr. Ian G. Scott, Q.C.,
 Mr. Stephen T. Goudge,
 Mr. Alick Ryder, and
 Mr. Ian Roland, for Mackenzie Valley Pipeline
 Inquiry;

Mr. Pierre Genest, Q.C.,
 Mr. Jack Marshall,
 Mr. Darryl Carter, and
 Mr. J.T. Steeves, for Canadian Arctic Gas Pipe-
 line Limited;

Mr. Reginald Gibbs, Q.C.,
 Mr. Alan Hollingworth, and
 Mr. John W. Lutes, for Foothills Pipe Lines Ltd.;

Mr. Russell Anthony,
 Prof. Alastair Lucas and
 Mr. Garth Evans, for Canadian Arctic Resources
 Committee;

Mr. Glen W. Bell and
 Mr. Gerry Sutton, for Northwest Territories
 Indian Brotherhood, and
 Metis Association of the
 Northwest Territories;

Mr. John Bayly and
 Miss Lesley Lane, for Inuit Tapirisat of Canada,
 and The Committee for
 Original Peoples Entitle-
 ment;

Mr. Ron Veale and
 Mr. Allen Lueck, for The Council for the Yukon
 Indians;

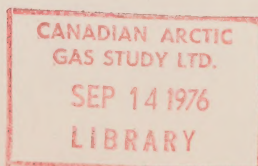
Mr. Carson Templeton, for Environment Protection
 Board;

Mr. David H. Searle, Q.C.
 for Northwest Territories
 Chamber of Commerce;

Mr. Murray Sigler and for The Association of Munici-
 palities;
 Mr. David Reesor,

Mr. John Ballem, Q.C., for Producer Companies (Imperial,
 Shell & Gulf);

Mrs. Joanne MacQuarrie, for Mental Health Association
 of the Northwest Territor-
 ies.



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Yellowknife, N.W.T.

September 8, 1976

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. GOUDGE: I think sir, we're prepared to reconvene if it suits you. The panel for --

THE COMMISSIONER: Excuse me, do you have a copy of the evidence?

MR. GOUDGE: We would propose sir, that the panel for this morning be a submission of the Alberta and District of Mackenzie Building and Construction Trades Council and the Advisory Board for the Building Trades Unions in Canada, it's a joint submission by those two groups, again evidence brought before the Commission at your request and the parties before you have been very co-operative with us and we're very grateful for their appearing here. The two gentlemen who will deliver the brief are Mr. James McCambly seated on your left and Mr. Lawrence LeClair seated on your right.

JAMES A. McCAMPLY, sworn;

LAWRENCE G. LE CLAIR, sworn;

DIRECT EXAMINATION BY MR. GOUDGE:

Q Mr. McCambly, you are the Executive Secretary of the Advisory Board for the Building Trades in Canada?

WITNESS McCAMPLY: Yes, that's right.

Q And you were born in Airdrie, Alberta and went to highschool and college in Calgary Alberta, is that correct?

1 A Yes, that's true.

2 Q And you began your
3 career in construction operating heavy equipment
4 throughout Alberta and then became a business agent
5 for the Operating Engineers Union in 1956 and later
6 served as the Business Manager in Alberta for that
7 union, is that so?

8 A That's correct.

9 Q And in 1970 you became
10 Executive Secretary for the Canadian office of the
11 Building and Construction Trades Department A.F.L.C.I.O.
12 an organization which also includes your function as
13 Executive Secretary of the Advisory Board for the Building
14 Trades in Canada, is that so?

15 A That's correct.

16 Q You're a member of
17 the Economic Council of Canada?

18 A Yes.

19 Q And you're speaking
20 today in your capacity as Executive Secretary of the
21 Advisory Board.

22 A That's correct.

23 Q Mr. LeClair, you started
24 in the industry as a boilermaker in 1955, is that correct?

25 WITNESS LE CLAIR: Right.

26 Q And you were elected
27 Business Manager of the International Brotherhood of
28 Boilermakers, Local 146 for Alberta and the District
29 of Mackenzie in July of 1966, is that so?

30 A Right.

1 Q And then you were elected
2 President of the Alberta and Northwest Territories
3 Building Trades Council in 1970 and were promoted to
4 International Representative for western Canada with
5 your union, the International Brotherhood of Boiler-
6 makers in April of 1971, is that so?

7 A Right.

8 Q And in January of 1974
9 you moved into the newly created position of full-time
10 President of the Alberta and Northwest Territories
11 Building and Construction Trade Council and you presently
12 hold that position.

13 A Right.

14 Q And you're a member
15 of the Apprenticeship Board representing labour for
16 the province of Alberta.

17 A Right.

18 Q Now, Mr. McCambly, would
19 you please read the joint brief for the commission,
20 please?

21 WITNESS MCCAMBLY: Yes, and
22 I think at the outset, Mr. Commissioner, I should say
23 that we welcome the opportunity to meet before you and
24 try to do what we can to co-operate with the undertakings
25 of your Commission.

26 The submission of the Alberta
27 and District of Mackenzie Building and Construction
28 Trades Council, composed of local unions of 15 inter-
29 national unions having jurisdiction in Alberta and the
30 District of Mackenzie, who represent some 43,000 members

1 and the Advisory Board for the Building Trades Unions
2 in Canada which is composed of representatives of 15
3 international unions whose aggregate membership is
4 in excess of 400,000 in Canada.

5 To the Mackenzie Valley
6 Pipeline Inquiry, Commissioner, Mr. Justice Thomas R.
7 Berger.

8 First we would like to make
9 it perfectly clear that we feel there is no viable
10 alternative to the building of a pipeline. Having
11 said that, we would like to express to you some of the
12 priorities that we feel need to be considered and in
13 some respects are of a rather urgent nature.

14 We must first consider, as
15 Canadians, what type of line should be built and why.
16 Is one alternative better than another?

17 The most urgent consideration
18 that must be given is to the Arctic Gas proposal. If
19 this proposal can be approved, it should be approved
20 quickly. Delay could mean that the El Paso proposal could
21 be the only route that has been given the green light
22 to transport gas from Alaska. If the El Paso route is
23 built because of delay of approval for a Canadian route,
24 some of the benefits that could be derived for Canadians
25 in general, and more particular, for northern residents
26 will be lost forever and other benefits will be severely
27 delayed.

28 The major benefit would have
29 to be revenue derived from transporting United States
30 gas across Canadian Territories, which can far more

1 than cover the interest, dividends and debt repayment on
2 the portion of cost which is raised abroad. Also, the
3 expenditure on Canadian goods and the services will be
4 in excess of the amount of borrowing in Canada. In
5 addition, the right-of-way tax, income tax and royalties
6 on Canadian exploration could assist in resolving the
7 aboriginal claims of the northern Canadian natives.

1 A pipeline facility from
2 Canada's North would encourage new exploration which
3 otherwise would not be feasible. In addition, a line
4 located as centrally as the Mackenzie Basin could more
5 economically be fed by laterals to the east and north.
6 But this time and with minimum encouragement for further
7 exploration, it is very questionable whether there is
8 sufficient reserves in Northern Canada to justify the
9 building of an all Canadian line in the near future.

10 There are two major advantages
11 in building a large diameter pipeline in addition to a
12 large flow capacity, which would have a very large storage
13 capacity and equalize varying surge demands. Other lines
14 such as the Trans-Canada has had to be looped, building
15 parallel lines for storage capacity. The other major
16 factor is that a line built not large enough to handle
17 future demands would have to be looped which would cause
18 unnecessary disturbance to the surface of the tundra.

19 We might add that, in the past
20 twenty years, Canadians have gained expertise in
21 building small and big inch pipeline to the point that
22 they are second to none. Further their expertise is
23 unsurpassed in building lines in mid-winter when the
24 terrain is impassable in the summer.

25 Now, let us look at considerations
26 that need to be given to the manpower requirements for
27 this job and in particular, consideration necessary for
28 the Northern residents. There are two phases of the
29 construction that will involve different considerations.
30 One is the actual building of the pipeline and, two is

1 other facilities that require construction such as
2 compressor stations, metering stations, gas plants,
3 accommodation and food facilities and other temporary
4 and permanent facilities.

5 The four unions involved in
6 pipeline construction are also active in other types
7 of construction and some of the pipeline employees are
8 qualified to work in various types of construction.
9 However, the pipeline employers are generally specialized
10 in pipeline construction and we, therefore, have
11 distinctly different existing collective agreements.

12 To set the record straight, let
13 us clarify the attitude and historic performance of the
14 building trades unions. It is our desire to have well-
15 qualified tradesmen as members of our organizations
16 in all regions of Canada. Our unions spend a great
17 deal of time, money and effort to ensure that their
18 membership is serviced in all regions of Canada. Local
19 unions are established or given jurisdiction over an
20 area on the basis of how the best interests of that
21 membership in the area it can be served.

22 Local unions which have a large
23 territorial jurisdiction give priority of job oppor-
24 tunities to members living in the vicinity of work that
25 is to be performed. This is often supplemented by
26 arrangements through collective agreements to supply
27 the closest available member who is unemployed. Our
28 unions would like to have a large, skilled work force
29 available for any type of construction in the Northwest
30 Territories. This has, heretofore, been very difficult

1 because of the spasmodic nature of manpower demands for
2 construction in the Northwest and Yukon Territories.
3 We have evidence of construction projects side by side
4 in the territories operating union and non-union and it
5 is only on union jobs where the native people have had
6 employment opportunities because the unions have insisted
7 that native people should be given the opportunity for
8 on-the-job training. Wherever possible and practical,
9 building trades local unions have trained and
10 utilized native people in the operation of the unions
11 as stewards or business agents.

12 Our type of unions have survived
13 for hundreds of years from the craft guilds and the
14 strength of the specific skills of our members. Northern
15 residents are no different in that their future as
16 tradesmen would only be secure if they are trained and
17 able to do the work that is expected of persons in their
18 respective trades.

19 Bona fide Canadian territorial
20 residents have a preferential right to undertake work
21 in the North as do residents of any area have preference
22 for work that is available in their area. Considering
23 that preference, there are a number of factors that must
24 be considered. There is no point in a training program
25 for a job without having a strong desire to become
26 proficient and more important, that the person to be
27 trained must have the natural aptitude and ability to
28 do the work for which he is being trained. That
29 phenomena is not unique to northern residents. It is
30 the same for every person desiring to learn a trade.

McCombly, Le Clair
In Chief

1 Then, within each trade there
2 are specialties which very few tradsmen can accomplish.
3 For example, there are thousands of people who can weld
4 two pieces of metal together but there are very few
5 who have the artistic ability and steady hand to weld
6 on a pipeline. There are thousands of people who can
7 run a tractor, but there are very few that can qualify
8 to run a side boom on big inch pipe. This type of
9 factor applies to all tradesmen, so it must be recognized
10 when trying to devise ways of training northern residents
11 and they must recognize that it is only possible to do
12 those jobs which require a high degree of skills with
13 personal ability and extensive on-the-job training.

14 We will undertake to train
15 as many bona fide Canadian territorial residents as
16 practical and possible and advance them into the most
17 meaningful and difficult as quickly as their skills will
18 allow.

19 It will first be necessary to
20 have a very thorough screening of anyone desiring to
21 learn a trade, to try to ensure that the applicant will
22 be able to learn the trade he has chosen. If mistakes
23 are found in the initial selection when training is
24 pursued, the person should be moved immediately to a
25 vocation for which he may be better suited so as to
26 minimize frustration on the part of the trainee or
27 apprentice and on the part of the persons providing the
28 training.

29 Any native people who are
30 exceptionally capable in specific fields of endeavor

McCambly, Le Clair
In Chief

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1 should be utilized in the training of others. We would
2 be prepared to co-operate in an advanced screening and
3 training procedure provided we could select persons to
4 participate in the administration and decision making
5 of that procedure. A significant cost would be involved
6 to undertake advanced screening and training which we
7 assume the Commission will consider in its recommen-
8 dations.

1 We have and will continue to
2 insist that all native people be treated as equals to
3 other employees in every respect except for special
4 considerations for training and job opportunity. We
5 will not agree to any special lower rates for persons
6 who are trained to the extent that they are performing
7 the work of a journeyman on the job. Trainees will
8 also have to learn to accept the responsibility of
9 proper performance of his duties the same as any other
10 employee to maintain his job.

11 We are concerned about training
12 northern Canadians in large numbers for jobs which will
13 not be available in the Northwest Territories when this
14 project is completed. Pipeliners are probably the most
15 transient work force in Canada today and other types of
16 construction follows a close second. In this respect,
17 emphasis should be placed on training northern Canadians
18 in skills that will be required on a relatively con-
19 tinuous basis.

20 They would otherwise have to
21 be prepared to move to other job locations. The other
22 aspect of lack of continuing opportunity for employment
23 is the two periods of change which could have considerable
24 social impact, being the transition from making
25 relatively small wages to making big wages and returning
26 to small wages or no job opportunity on completion of
27 the project. It may well be of more benefit for northern
28 residents to concentrate on training to operate the
29 permanent facility related to the pipeline, to have a
30 continuous opportunity for employment.

1 There is really no point in
2 proceeding with any definite measures for screening or
3 training native people until we are certain the job
4 will proceed. We will outline for you some of the
5 procedures that might be feasible assuming a construction
6 program was approved. These are based on sixteen points
7 mentioned in a letter circulated by Mr. R. Haynes late
8 in May.

9 The first point that was
10 mentioned was the skill assessment for natives at an
11 early stage. We feel that an early indepth assessment
12 of such things as skills, potential skill, manual
13 dexterity, mechanical aptitude, general education
14 assessment and personal ambitions of the applicant
15 would be desirable. Persons who had been tradesmen for
16 a number of years would likely be very valuable in
17 making that type of an assessment.

18 Two, pre-job training for
19 natives. Pro-job training may vary considerably with
20 different organizations. There is probably a lot of
21 counselling and familiarization that could be accom-
22 plished. Training in theory would not be too difficult
23 but practical experience would be very difficult to
24 accomplish. Most of the educational programs which our
25 unions have or in which they participate are in connection
26 with their regular apprenticeship or ungrading programs.
27 Most of these facilities are permanently fixed and could
28 not be transported to the territories, but the biggest
29 factor involved would appear to be the cost of
30 establishing training facilities or the cost of trans-

McCambly, Le Clair
In Chief

1 | porting natives to existing training facilities.

Three, pre-training and pre-job counselling for natives. We would see the unions being directly involved in any type of training program from start to finish which would include counselling on matters pertaining to work. It seems obvious also that the native people could be counselled to understand clearly what a union is all about, how it operates, what are his obligations and what the procedures are for the individual to obtain employment.

Four, native counsellors.

12 Whatever the responsibilities of native counsellors may
13 be, there should be a very close working relationship
14 between the counsellors and the union representatives
15 and/or stewards. I might add there, sir, there is one
16 other consideration that had crossed our mind and that
17 is, there may be the situation of natives who are not
18 fluent in English. There could be a role to play there.

Five, dispatching natives to jobs. The most important consideration in matching natives with jobs is that the union dispatcher know as much as possible about the native person seeking employment as he is already familiar with the job that has to be filled. At this time we are not certain what the best procedure would be with regard to hiring halls or branches of hiring halls in the Northwest Territories, but it is obvious that there will have to be provisions for the registration of, and the ability to locate northern residents seeking employment. Having matched a native with a job opening, the dispatch procedure will

1 be the same for everyone.

2 Six, on-the-job training
3 program. We feel that it is essential that the unions
4 be involved in every aspect and design operation and
5 supervision of on-the-job training programs. Most of
6 the on-the-job training will come from present
7 journeymen.

8 Seven, quota or goals for
9 ensuring native employment. There are many factors that
10 would have to be considered if a maximum number of native
11 trainees were to be employed. Safety is probably the
12 most pressing problem. Also, maintaining a reasonable
13 productivity and minimum waste or damage level is also
14 to be considered. We also do not believe that a quota
15 system is in the best interests of anyone.
16 It would be the worst type of unproductive featherbedding.
17 In addition, the persons filling a quota have no need
18 to try to become efficient, productive tradesmen and
19 would not become qualified to hold a future job without
20 quota protection.

21 Present tradesmen lose their
22 incentive to be productive and train employees or
23 apprentices who have no need to learn or work because
24 of quota protection. Those interested will have job
25 opportunities and the success of the program can be
26 monitored. We certainly feel it would be essential
27 to be involved in the establishment of such a system
28 or in its operation or periodic review.

29 Eight, native foods. We have
30 always insisted on first class camp accommodation and

1 food services which include a variety of foods that the
2 workmen desire to eat. So, it should be no problem in
3 providing the natives with some food of their choice.

4 Nine, safety. On-the-job
5 safety procedures are far more important and usually
6 much more strigent than those contained in legislation
7 and it is obvious that safety considerations, regulations
8 and first aid facilities will be somewhat unique and
9 require special considerations for this project.

10 Winter work. Labour problems
11 would be minimized in the cold dark northern winters
12 with special considerations being given to the long hours
13 of work, regular rotation in and out of the job,
14 appropriate safety precautions, camp facilities and good
15 recreation facilities.

16 Eleven. The matter of appropriate
17 time of rest and recreation by rotation leave will have
18 to be arrived at by collective bargaining.

19 Twelve, hours of work. The
20 number of hours per day will again be covered by
21 collective agreement. However, they should be long enough
22 to be able to acquire a good pay cheque and to occupy
23 a good number of the hours that the men would normally
24 be awake. However, also considering that they're not
25 so long to create fatigue in the cold weather.

26 Thirteen, banking and credit
27 unions. Banking or near bank facilities will have to
28 be provided as called for in collective agreements or
29 pre-job arrangements.

30 Fourteen, work crews. Integrated

1 work crews would provide a much better opportunity for
2 on-the-job training and would better serve the interests
3 of safety and efficiency. We do not want to even
4 suggest that there should be anything short of total
5 integration.

6 Fifteen, alcohol. The
7 provision of alcoholic beverages in a controlled setting
8 at the job site has proven successful in other locations.
9 This sort of system, operated and policed by the workmen
10 themselves seems to be much more acceptable than a
11 policed system of no alcohol or a carry-your-own
12 arrangement.

13 Sixteen, non-union employers.
14 We do not envisage any non-union employment activity
15 on the project. Any non-union activity would certainly
16 cause disruption and should be eliminated prior to any
17 commencement of work by virtue of collective agreements.

18 Conclusion. We trust this
19 submission will assure your Commission of the sincerity
20 of the Building Trades Unions in doing all we can to
21 assist bona fide residents of the Canadian Territories
22 in familiarization, job opportunity and training. Our
23 members obtain most of their trade knowledge from other
24 tradesmen and this type of commitment on our part is
25 the most essential ingredient in providing an opportunity
26 for northern Canadians to learn a trade.

27 We reiterate, Mr. Commissioner,
28 that the prime issue is permission to build the pipeline.
29 We endorse the construction of a gas transmission
30 facility and, on approval of such a facility, we will

McCambly, Le Clair
In Chief

1 work with interested parties to ensure that the contents
2 of this submission are implemented.

3 Respectfully submitted, Lawrence
4 Le Clair, President of the Alberta & N. W. T. Building
5 Trades Council and McCambly, Executive Secretary of the
6 Advisory Board for the Building Trades Unions in Canada.

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B. L. B. C.

McCambly & LeClair
In Chief
Cross-Exam by Bayly

1 MR. GOUDGE: Thank you, Mr.
2 McCambly. These gentlemen are available for cross-
3 examination sir. I think in the normal way cross-examina-
4 tion would begin with Mr. Steeves of Canadian Artic Gas.

5 MR. STEEVES: I want to
6 commend you for your very accurate analysis of the
7 relative merits of the two proposals Arctic Gas and
8 Foothills and to say that on behalf of Arctic Gas, thank
9 you very much for this brief, which my client will find
10 very useful in those aspects dealing with the hiring of
11 people in the north, from the north.

12 I have no other questions.
13 Mr. Hollingworth?

14 MR. HOLLINGWORTH: I have
15 no speech to make sir, nor do I have any questions of
16 this panel.

17 MR. GOUDGE: Mrs. MacQuarrie?

18 MRS. MacQUARRIF: No questions.

19 MR. GOUDGE: Mr. Sigler?

20 MR. SIGLER: No questions, sir.

21 MRO. GOUDGE: Mr. Bayly?

22 CROSS-EXAMINATION BY MR. BAYLY:

23 Q I take it that your
24 view that the Arctic Gas proposal should be given the
25 green light as soon as possible and you base this
26 statement on it's benefits for Canada is based on a
27 comparision of this project with the Foothills project
28
29
30

A Well then, I really think that our attitude would be one of somewhat of a layman in observing that if that proposal could be given, in the eyes of the Commission the green light, then it should be done in order to allow this kind of development to go forward because if it doesn't, then others will take, for example -- other transportation facilities that have been recently recommended, I would assume, might take the same length of time in examining the merits and all of the problems inherent as has been taken here which would create another two,

1 three, four year delay in getting approval and that
2 in itself could mean that --

MR. BAYLY:

3 Q Do I understand you then
4 to be saying that the Arctic Gas project should go
5 ahead because it's ready whereas the others appear to
6 you to be not as ready at least, and maybe not ready
7 at all?

8 A Well, what we've said
9 is that if it can be approved, it should be approved.

10 Q And that's what you feel
11 gives it the advantage over the other projects, because
12 the others, you feel, aren't in that state of readiness.

13 A I think that would have
14 to be the biggest thing. It would appear that there
15 are some other alternatives that may give some of our
16 people more work. There are longer lines and there's
17 other factors, so I don't think it's looking at it in
18 a prejudiced fashion that way, but frankly, if a joint
19 project isn't developed, it doesn't seem logical to
20 us that any project will be developed in the near
21 future, an all Canadian route.

22 Q Now, you've said also
23 in the first page that the expenditure on Canadian
24 goods and services will be in excess of the amount of
25 borrowing in Canada. I take it you mean by that you
26 don't feel that Canada could finance a project like
27 this on its own? Is that what you think?

28 A Again it's an estimate
29 but I would have to assume from the magnitude of the
30 cost of a pipeline the length of Canada that if we were

McCambly & LeClair
Cross-Exam by Bayly

1 to ever finance this ourselves, we would wind up
2 selling the gas that came through the line to pay for
3 the line, which I don't think is in the best interest
4 of Canadians, fantastic expense is involved.

5 THE COMMISSIONER: Excuse me.

6 MR. SIGLER: I wonder, just
7 for clarification, I understood that the
8 terms of reference to this Inquiry did not include
9 whether or not a pipeline should be built and also
10 didn't include the national economical questions and
11 that's the way that we've been preparing our case. All I
12 am saying is ^{both} the conditions on the pipeline and the
13 local impact on the people of the north. I just wondered
14 if you could clarify that last line of questioning ^{because it} seems
15 to be going beyond the terms of reference of this Inquiry.

16 THE COMMISSIONER: Well, it
17 clearly is. I think Mr. Bayly's aware of that. The
18 difficulty arises in this sense, Mr. Sigler, that
19 these gentlemen can't be expected to understand completely
20 the limitations in our terms of reference, so they, like
21 the group yesterday, prefaced their brief on the issues
22 that concern us, with some views about the national
23 advantages, the advantages to Canada of building the
24 Arctic Gas line and Mr. Bayly has been with us long
25 enough to know that strictly speaking I won't be and
26 I'm not in any way criticizing you, Mr. McCambly, I
27 won't be dealing with this question, but Mr. Bayly,
28 I think has no questions on the main issues and he felt
29 that we should perhaps take a run through this, and
30 you're quite right Mr. Sigler and it was quite apparent --

McCambly & LeClair
Cross-Exam by Bayly

1 MR. SIGLER: I just felt
2 sir, that our time ^{might be} better spent dealing with the
3 main issues that are the subject of the Inquiry.

4 THE COMMISSIONER: Well, I'm
5 glad you're here this morning to remind us all of our
6 duty. I was thinking that it wouldn't take long for
7 Mr. Bayly to cover this ground and then we'd move on
8 without further adieu.

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1 MR. BAYLY: Well, Mr.

2 Commissioner, I--

3 THE COMMISSIONER: You see,
4 Mr. Bayly all the--for instance, Mr. Horte and Mr.
5 Blair, whenever they come here to give evidence, they
6 go into this material and beyond at great lengths and
7 we've always allowed them to do so, really as a matter
8 of courtesy, I suppose, and to inform ourselves about
9 the larger background of events.

10 Certainly no one has asked me
11 to compare El Paso to Arctic Gas and I have no intention
12 of doing so and these people can come and endorse
13 Arctic Gas, Foothills or whoever they want and good luck
14 to them all. I'm not going to be deciding on that.
15 Sorry, Mr. Bayly.

16 MR. BAYLY: I'm not going to
17 be deterred, Mr. Commissioner. I have a few questions
18 and I intend to ask them.

19 You say on page one that the
20 right-of-way tax, income tax and royalties on Canadian
21 exploration could assist in resolving the aboriginal
22 claims of Northern Canadian natives. Could you explain
23 that statement and in what way could they assist?

24 A Well, I don't profess to
25 get into the question of aboriginal rights or what may
26 be right and proper. It would appear that revenues that
27 may be derived from various sources could be used to
28 resolve that question. We have, in saying it, I think
29 acknowledged clearly that that is a question that is
30 going to need to be resolved.

McCamblly, Le Clair
Cross-Exam by Bayly

1 Q That's quite apart from
2 which of the two projects that is proposed at this
3 Inquiry goes ahead.

4 A Well not really because
5 if an all Canadian route was built, it would cost
6 Canada so much that, you know, I don't think it would be
7 a very profitable operation. Whereas, transporting
8 American gas across Canada could help to relieve a great
9 deal of the costs of putting line together, which in
10 turn could create benefits along with the right-of-way
11 taxes and so on.

12 Q So, you're saying that we
13 could use revenues from transporting American gas to pay
14 whatever monies should be paid to settle native claims?
15 Do I understand you correctly?

16 A I'm suggesting that there
17 would probably be more pork in the barrel to go that
18 route.

19 Q Yes. Now, were you here
20 yesterday?

21 A Only late in the day.

22 Q All right. One of the
23 questions I asked the various representatives of the
24 unions that were on yesterday's panel was whether their
25 unions had taken any position on the settlement of native
26 land claims and whether their unions felt this should
27 either precede or come after the construction of a
28 pipeline and they all gave varying answers.

29 Does your union Council, does
30 your Building Trades Council take any position on that?

1 A Well, the Advisory Board
2 for the Building Trades in Canada has not dealt with
3 that question. The Canadian Labour Congress, I believe,
4 will be dealing with that question in their brief but
5 I'm not in a position to say one way or another a
6 position on that because we have not dealt with it.

7 Q Fine. I can understand
8 that. Now,--

9 A Outside of some sympathy.
10 THE COMMISSIONER: Pardon me?

11 A Maybe outside of some
12 sympathy.

13 THE COMMISSIONER: Oh, I see.

14 A The situation.

15 THE COMMISSIONER: But you're
16 not converting your sympathy into a hard and fast
17 position either way. Good thinking.

18 MR. BAYLY: On your second page
19 there's an indication in the second paragraph that you
20 believe that the Arctic Gas proposal would not require
21 looping. We've had evidence before this Inquiry from
22 Mr. Horte that it might well require looping within the
23 first ten years after construction. Were you aware of
24 that evidence when you prepared your brief?

25 A No, I wasn't.

26 Q Does that change your
27 thoughts on that particular advantage of this route?

28 A Well, looping is primarily
29 a storage facility and if over the entire route of this
30 transmission system, looping was necessary, I'm sure that

McCamby, Le Clair
Cross-Exam by Bayly

1 at least it could be done in areas where there would
2 be minimal damage. It might be that the loops could
3 be further south if there was damage that might be
4 created, you know, in northern tundra.

5 Q Right. So, you would
6 recommend that if looping took place, that it only took
7 place on the less fragile and more southerly areas of
8 the line, portions of the line?

9 A Yes, the location of a
10 loop really doesn't make all that much difference. It's
11 storage capacity in conjunction with the line. So, it
12 could be chosen. But I wasn't aware--you know, I suppose
13 that any line might be underdeveloped in capacity and
14 need loops at a later date.

15 Q That's happened to the
16 TransCanada line?

17 A Oh, yes.

18 Q Well, with regard to your
19 statements on native employment that commence at page
20 three of your evidence, you state that in roman numeral
21 four,

22 "We have evidence in construction projects side by
23 side in the Territories operating union and non-
24 union and it was only on the union jobs where the
25 native people had employment opportunities because
26 the unions insisted that native people should be
27 given opportunity for on-the-job training."

28 Well, this Commission has
29 heard some evidence that people were concerned. They
30 had, for example, heavy duty equipment jobs side by side,

1 working with union members, they got less money than
2 union members who were working on the same job, coming
3 from Edmonton and other places and in some cases they
4 said they had to teach these people how to use their
5 equipment in northern climates and northern conditions
6 and as a result, they have some skepticism of the
7 equality that you purport, that unions bring.

8 Do you have any comment on
9 that? Is that something that's in the past and has
10 been corrected?

11 A Well, heavy equipment is
12 really an area where I was involved a few years ago and
13 I don't profess to be speaking for the Operating
14 Engineers Union at the time but as an experience,
15 training people who don't already have experience is
16 costly. It's costly in production and particularly
17 with equipment, it's costly in breakage of equipment.
18 You can run into a great deal of--

19 Q I think you're mis-
20 understanding my question. What I said was that these
21 people, the native people were teaching the other people
22 how to use the equipment in the North. The native people
23 knew how to use the equipment and they were teaching
24 the southern union people how to use the equipment but
25 the native people were classified as labourers. They
26 were doing the same jobs on the same equipment and they
27 were getting less money and that seems to contradict
28 with what you've said in roman numeral four on page
29 three.

30 Now, what I want to know is

1 whether this is something that happened in the past
2 and doesn't happen anymore or whether this is something
3 we can expect to happen again until native people get
4 recognition by union and contracting.

5 A This is something that I'm
6 totally unaware of. I've never heard of a situation
7 like that. I don't doubt for a moment that when native
8 people are trained and are proficient in any trade that
9 they would probably be much more capable of working in
10 the North than persons who were not normally residents
11 of the North. There's no doubt about that.

12 No, I'm sorry. I did mis-
13 understand your question, Mr. Bayly.

14 Q That was something you
15 weren't aware of in any event?

16 A Yes, but may I just pursue
17 for a moment on the experience that you have brought
18 up under four is that we have found that it takes some
19 sort of pressure to force people to use inexperienced
20 local residents because it's costly and the unions have
21 always persisted and I feel certain with this type of
22 co-operation here that we're suggesting, that it will
23 go a long ways in getting people who don't have that
24 training.

25 Those who do have the training,
26 I'm not concerned with. I don't think that there's
27 any problem with them having work. It will be very
28 successful.

29 Q Could you give us some
30 examples of your statement in item five on page four,

1 that's roman numeral five in the first paragraph where
2 you say that,

3 "Wherever possible and practical, building trade
4 local unions have trained and utilized native
5 people in the operation of the unions as union
6 stewards or business agents."

7 Has this happened in the
8 Northwest Territories today and if so, where?

9 A I don't know that I could
10 cite examples in the Territories specifically but certainly
11 I know of cases in Alberta and in British Columbia and
12 the Yukon Territory where native people have become
13 business agents and very efficient.

14 Q But you're not aware of
15 this having happened in the Northwest Territories?

16 A Well, I don't know. Do
17 you know of any?

18 WITNESS LE CLAIR: It's
19 happened in Alberta. One particular craft is the
20 Teamsters on the Syncrude project and there was
21 approximately 450 people involved. The steward there
22 for the Teamsters is a native and has resided in the
23 Fort McMurray area for approximately ten or twelve
24 years. He worked on the former G. C. O. S. plant. He's
25 now the representative for the Teamsters Union on the
26 Syncrude plant and represents approximately 400 people.

27 Business agents we refer to
28 there are from the Yukon Territory where I believe the
29 Teamsters and the operating engineers in B. C. have got
30 two or three natives employed as full-time business

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Cross-Exam by Bayly

1 agents.

2 WITNESS MCCAMBLY: I believe
3 the labourers do too.

4 WITNESS LE CLAIR: The labourers
5 as well.

6 Q Now, do you have any
7 recommendations arising out of your concern on page
8 five that a significant cost would be involved to under-
9 take advance screening and training which we assume the
10 Commission will consider in its recommendations. Who
11 should bear the cost of that? Have you thought about
12 that?

13 WITNESS MCCAMBLY: Well, as you
14 notice, we kind of left that to the Commission, but
15 normally the unions don't anticipate this kind of a
16 program in their monies that they may collect for
17 training. All they're talking about normally is just
18 gradually increasing the number of people that they have
19 in their particular trade.

20 Q Well, what do you--

21 A Here we are talking about
22 rather a massive opportunity for people to get some very
23 basic skills and then possibly expansion to more specific
24 skills and that's costly. Really the facilities aren't
25 here. The unions don't have the money to do that.

26 Q You say that you do have
27 some training funds. Would you tell us what those
28 training funds are used for? I didn't understand that.

29 A Well, they vary considerably
30 from one union to another but they're used either for

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Cross-Exam by Bayly

1 initial training or upgrading of people who either want
2 to come into the various unions as apprentices or those
3 who are in and need to learn new skills as technology --
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1 Q So this isn't training on the
2 job because that would be paid for by the contractor.

3 A No, it's usually --
4 would usually be off the job training in conjunction
5 with apprenticeship for upgrading programmes.

6 Q If it were upgrading,
7 then the union might chip in to the cost of sending
8 somebody to a course.

9 A No, it really isn't
10 a question of the union chipping in, it's usually
11 done under collective agreement by a cents per hour
12 amount, a cents per hour collection going into a
13 training fund, which is usually again, jointly administered
14 and either totally funds or helps to fund training
15 opportunities.

16 Q So that comes out of
17 the employees wages, although it might otherwise go
18 to the union, a portion of it.

19 A It might otherwise go to
20 the employee.

21 Q Yes, but when you say
22 union training funds, what that means is that the
23 fund is administered by the union and the contractor, --

24 A Yes.

25 Q -- but that the funds
26 come from the employees paycheque.

27 A Yes, m-hm.

28 Q I just want to under-
29 stand that, that's all.

30 Now, on page five you talk

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Cross-Exam by Bayly

1 about undertaking to train as many bona fide Canadian
2 Territorial residents. How would you define a bona fide
3 Canadian Territorial resident, if it were your decision
4 to do so? How would you like to see it defined?

5 A Yes, well, I was reasonably
6 sure that that question would be asked and it's something
7 that I'm sure that the Commission has wrestled with.

8 I guess you'd have to start
9 first by saying we're talking about a Canadian and
10 we're talking about someone who is resident in the
11 Northwest Territories or Yukon Territories, but the
12 question then is who is a resident and at what point
13 in time would he be, he or she be recognized as a bona
14 fide resident of the Territories and I think that the
15 least we could say is that we're certainly not talking
16 about Johnny-come-lately's, we're talking about some-
17 body who is resident now or who has been resident prior
18 to this time.

19 I might say that we generally
20 have a concern with any sort of documented evidence as
21 to who actually are the residents, legitimate residents
22 of Canada's north.

23 We have to be concerned with
24 this because if a line is approved, we certainly don't
25 want to be in any position where persons from any other
26 part of Canada might move in, take up residence and get
27 the same kind of treatment that someone would get that
28 might have lived here five years or was born here.

29 Q All right.

30 THE COMMISSIONER: You would

6 MR. BAYLY: Now yesterday
7 we had evidence that ranged -- there were opinions
8 that ranged from either people born here or people
9 who's parents were born here to a six month residency
0 requirement as the other end of the spectrum. Where
1 would you fall in that, in your opinion?

WITNESS LE CLAIR: I was here yesterday and heard the answers that you're remarking on there and although I don't particularly agree with either the 60 day or the two year or the birth thing, but I think what we would be interested in doing is talking to an organization such as COPE, the Indian Brotherhood and the Metis Brotherhood to find out what their definition of a northerner is, because for me to say or for us to say that we agree that a northerner should be a person who is residing here by birth or has come here ten years ago, I don't think that's a proper definition and I think the people who are living here, such as the Committee for Original People's Entitlement, the Eskimos, the Indian Brotherhood and the Metis are the people that we would

1 want to talk to and find out what their definition is
2 of a northerner.

3 Q Now, you may find though
4 that you have an interest from the point of view of
5 your own membership, to protect yourself from the
6 boomer phenomenon.

7 A Yes, I agree that we
8 don't want the boomer coming in from southern Canada,
9 I think that's -- we already agreed with that.

10 Q I want to know to what
11 extent you would like to see your own members protected
12 and the native people will speak for themselves.

13 A Well, first of all, we've
14 already stated and it's been stated many ways. Our
15 first preference is to the northerner, so once we
16 determine who they are and how many of them there is
17 it doesn't make any difference about the southerner
18 because we've already agreed that the northerner
19 has got first preference and we will be looking to
20 those three organizations, if there's more, I don't
21 know, but we will be looking to those organizations
22 to tell us who the northerners are and how many there
23 is.

24 Q So you're saying it's
25 not -- you don't feel it's your place to recommend
26 a time period?

27 A Not at this particular
28 time, I think it could be part of the project agreement,
29 but after consultation with the people involved.

30 Q Now, yesterday we dealt

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Cross-Exam by Bayly

1 with the problems of people getting used to either
2 work schedules or wage employment and the general
3 consensus was that once a person is on the job that
4 he should be treated the same way as everybody else
5 on the job, is that the feeling that the Alberta
6 Building Trades Council?

7 A Yes, as far as recruit-
8 ment, we've agreed that we should -- he should be
9 given preference but the actual on-the-job training
10 and the work possibilities should be treated equally
11 to everybody.

12 Q Now, one of the concerns
13 that has been expressed by native peoples with regard
14 to wage employment is that they don't object to it
15 that they like working for wages but when certain
16 seasons come along, they like to be able to withdraw
17 from wage employment and return to the land to do
18 fishing or trapping or hunting. Now, I understand
19 that in northern Manitoba in some of the mining opera-
20 tions, such a system has been devised to accommodate
21 Indians and Metis that live in the area so that they
22 can withdraw and come back a few weeks or months
23 later and pick up a job without jeopardizing their--

24 A Yes, well as far as
25 the Buildings Trades Council is concerned and I might
26 mention that we're speaking specifically for gas plants
27 and related facilities, not the pipeline, and we
28 don't object to this type of a procedure, where the
29 northerners who may be working and in the fall if
30 they want to go trapping or hunting I don't see anything

1 wrong with allowing them to take off for two or three
2 weeks or as long as they figure they have to and then
3 coming back and having the same job back again. And
4 the reason that we don't object to it is because you
5 have got a plant facility that's being built with
6 maybe five or six hundred people on it. If you have
7 40 to 50 northerners who leave that particular job
8 site, it's not as critical to that particular project
9 as it is for the pipeline, because a pipeline is the
10 type of an operation where it's almost an assembly line
11 basis and to take two or three key people away from
12 that pipeline that almost stops the whole line from
13 proceeding and that's why we differ very greatly on
14 that particular point of view from the pipeline people
15 yesterday.

16 We don't see any objections
17 to that whatsoever.

18 Q All right, what about
19 work schedules, we discussed that yesterday too, there
20 were some problems, apparently, in Alaska with the
21 nine to thirteen weeks on and rest and relaxation after
22 that period of time. Some people felt they would
23 have preferred a shorter period and I understand again,
24 in northern Manitoba they worked out a system where
25 you worked three weeks on and one week off, if you're
26 from north of the 53 parallel whereas you may work
27 six or seven days a week if you're from south of
28 there.

29 A Yes, we would -- this
30 would have to be left as far as up to the negotiations

1 of a project agreement, if and when the green light
2 was ever given, but we've been involved in negotiations
3 with different contractors where in northern Alberta
4 we've got projects that are only accessible by air
5 where we worked a 28 day period and come out for four
6 or five days, some of them are 32 days come out for
7 six, this is the type of thing, I think that we would
8 envisage as most feasible for this project.

9 Q Do you envisage any
10 problems with workers from the south feeling that
11 -- feeling resentful of native northerners if they got
12 a different work schedule, in other words, if they
13 worked three weeks on and one week off and the others
14 had some other schedule? Do you see that as a possible
15 problem on the project?

16 A No.

17 WITNESS McCAMBY: No, I
18 don't see it as a -- you know, it's not a great deal
19 different than any other type of situation where you
20 have some local people working on a job and some from
21 a great distance. You know, construction is a little
22 bit unique in that if a person wants to quit, well,
23 to go and do something else, he's pretty free to do
24 it.

25 Q Right.

26 A I would assume that
27 whatever sort of system was devised, that when that
28 person wanted to come back, whether he could come back
29 to his own job, I don't know, that's a little bit
30 touchy because maybe there's going to be another

1 northerner has already got that job and I'm not so sure
2 that he should have it back, but he should then come
3 kind of
4 back with the same/priority he had initially to get
5 another job maybe or to get into some other position.

6 But, you know, there's one
7 thing that I think you maybe should be a little bit
8 careful on in pursuing that too far, I don't think
9 that one should consider that because a person is a
10 northern resident that they're necessarily a local
11 hire because the Territories is a big area and just
12 because the person is a resident of the Territories
13 and he's working at say Inuvik and his home is here,
14 he's got a long ways to go home if he wants to have
15 a break and he isn't a local hire and he needs to go
16 home just as much as anybody else. So, just be a
17 little bit careful I think, in assuming that northerners
18 are all local people.

1 Q I understand that and that
2 brings up another question that I had asked to the other
3 group yesterday and that is this, do you feel that
4 preferential hiring should apply to all people across
5 the Northwest Territories and the Yukon or should it be
6 restricted to a certain distance, either in miles or
7 time from the project area? Should we include people
8 in Frobisher Bay, to use perhaps an extreme example, in
9 the pool of people who get these preferences?

10 A Well, the normal practice
11 in hiring construction people is to hire those that are
12 closest to the work first and then expand from there.
13 Now, the degree of expansion or the size of that radius
14 is something that I don't suppose that we have a great
15 deal of concern with but it does become quite a financial
16 burden when people are coming from a long ways,
17 particularly if they're on short turn around with an
18 opportunity to go home.

19 Q Fine. Now, you said at
20 page six that,

21 "It may well be of more benefit to northern
22 residents to concentrate on training to operate
23 the permanent facilities".

24 Would you go so far as to say
25 that native people and northern people in general be
26 discouraged from training for pipeline construction jobs
27 and concentrate on the other employment opportunities
28 that this project would bring?

29 A Well, I think that they
30 should try to first fill all of the permanent employment

1 opportunities that are possible. There's one thing that
2 wasn't mentioned in here but if a person becomes a
3 member of a local union and a trained person, he's
4 certainly eligible to go to work wherever he sees fit,
5 within the territory of that local and then within the
6 territory of other sister locals throughout the country
7 or continent even.

8 I think we would be remiss if
9 in first making these people aware of what was possible
10 that we didn't also make them aware of the problems
11 inherent in picking up and going to a job way in
12 Timbuktu and some other part of the continent. As far
13 as we're concerned, they'd be eligible to go but there
14 has been some not too good experiences with situations
15 where people have been trained and have shown very good
16 capacity for skills and then having been taken out of
17 the North and their normal way of life to another area
18 and didn't work nearly so well.

19 As far as we're concerned,
20 they're eligible to go. No problem.

21 Q But you see it may be a
22 problem for people to join this nomadic work force, if
23 we can call it that.

24 WITNESS LE CLAIR: Can I just
25 elaborate on that?

26 Q Go ahead.

27 A I think that our concern
28 there too was that I had a meeting with the Indian
29 Brotherhood, the representative, I forget what his name
30 was but it was prior to their last election and one of

1 the concerns they had was that the people who would work
2 on the pipeline would make big wages and the pipeline
3 would last for two to three years and once the project
4 is finished, it might ruin the people so that after
5 they're used to these wages, they wouldn't want to go
6 back to their normal type of work.

7 The reason we emphasize that
8 emphasis should be placed on the permanent job
9 opportunity, such as the operation of the gas facilities
10 is what we're talking about, no objections whatsoever
11 for the construction period, if they want to work for
12 the construction period, but we don't want to bypass
13 the job opportunities that exist for the native people
14 in the operation of the permanent facilities and in
15 maintaining those facilities.

16 You know, that's where we
17 think that there should be emphasis placed on construction
18 but just as well there should be emphasis placed on the
19 operation and maintaining these facilities.

20 Q On page seven you talk
21 about the training facilities and the difficulty in
22 transporting them to the Territories. Now, we've heard
23 evidence that we may not just be looking at the building
24 of a single gas transportation facility but we may be
25 looking at looping of that facility and it being
26 followed possibly by an oil transmission line and
27 possibly hydro transmission lines and a road. If that
28 were the picture, would you change your views with
29 regard to training facilities and would you agree with
30 me that perhaps some training facilities should be

1 located in northern towns and settlements for people
2 resident in this area?

3 WITNESS MCCAMBLY: If there
4 is to be job opportunities, certainly there should be
5 training facilities, certainly. We had said earlier
6 in the brief that there is no question about the
7 consistent attitude of the unions. We would like to
8 have all of our unions with skilled people in all of
9 the trades in the Territories That would be a very
10 desirable situation.

11 Q What I'm asking you to
12 direct your mind to though is the location of those
13 facilities and one of the problems you raised in your
14 last answer with transporting people as members of a
15 nomadic work force also appears to exist in transporting
16 people to educational and training facilities in the
17 South but they don't get on as well there as they feel
18 they might if their training facilities were located
19 closer to home.

20 All I'm asking you to address
21 your mind to is if this is a much bigger development
22 in that it may be followed by other things, would you
23 revise your recommendation here and suggest that we
24 should consider having training facilities in northern
25 settlements?

26 A If there was ongoing work,
27 it would certainly appear to justify training facilities
28 here. Certainly.

29 Q On page eight you address
30 your thoughts to the role of native counsellors. What

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1 I'd like to know is, what is your view of what the role
2 of the native counsellors should be?

3 WITNESS LE CLAIR: Well, what's
4 happening on the Syncrude project is the native
5 counsellors, the employer puts an order in for
6 people, that particular union is in contact with the
7 native counsellors in the Fort McMurray area who have
8 a list of all the people that are eligible through
9 their native counsellors that work in the field.

10 They are in immediate touch
11 with the particular union involved and they know how
12 many people are eligible for work. As soon as the
13 craft union gets a call for men they are in touch with that
14 native organization, he then tells them, yes, we can
15 supply five, ten, fifteen or whatever the case may be.

16 It's a direct communication
17 between the local union and the native counsellors.
18 The Outreach Program is what it is in Alberta.

19 Q Can you tell me, in your
20 opinion, should this person be, the native counsellor
21 be someone who is employed by the union, the companies,
22 the government or the native organizations or band
23 councils?

24 A Well, I think it would
25 probably be determined--you'd have to find out the
26 amount of work that's involved and I don't think that
27 he should be employed by the unions. He might be
28 prejudice to them. He shouldn't be employed by the
29 government. I don't know who he should be employed
30 by but he should be employed by a separate group, probably

1 an outfit like Native Outreach. That, to me, would be
2 the most logical approach.

3 Q So, you feel he should be
4 independent of management, organized labour and government
5 if possible?

6 A Yes.

7 Q Yes. Now, with regard
8 to dispatching native people to jobs, you say that having
9 matched a native person with a job opening, the dispatch
10 procedure will be the same for everyone.

11 Do you mean by that the timing
12 as well or would you envisage different timing depending
13 on how--

14 A It would have to be
15 different timing for people living in the Northwest
16 Territories because the collective agreement, although
17 it may be differing in the project agreement, most of
18 the collective agreements say 48 hours and 72 hours.
19 There would have to be special arrangements made for
20 the people in the Northwest Territories and that may
21 be a week for the native Outreach counsellors to go and
22 find this person because he might be out trapping and
23 if he's out trapping, you've got to give them time to
24 get them.

25 Q All right. One of the
26 concerns that has been raised is that native people
27 worry about going to main centers to wait around for a
28 job. Do you think that could be avoided?

29 A No problem there whatsoever.
30 He wouldn't have to report to Edmonton to receive a work

1 order. He would receive that directly from his native
2 Outreach counsellors.

3 Q So, he could be sitting
4 in his--

5 A He could be sitting at
6 home.

7 Q --at home and he could
8 go straight to work. He wouldn't have to go to Inuvik
9 and wait around for a few days?

10 A He wouldn't have to go
11 anyplace. He could just go from his home directly to
12 the point where he's going to work.

13 WITNESS MCCAMBLY: That would
14 entail some advanced work that we've envisaged here and
15 that has been envisaged by the Gemini North Study and
16 so on. When assessments were made, then there's no
17 need for a person to be anywhere but home, somewhere
18 he can be contacted.

19 Q Now, under your item
20 ten, winter work, there's an interesting statement.

21 "Labour problems would be minimized in the cold,
22 dark northern winters with special consideration
23 being given to long hours of work, regular
24 rotation, in and out of the job, etc."

25 I would have thought the
26 opposite, that labour problems might be maximized by
27 those working conditions. Can you explain that
28 statement please?

29 A Well, the labour problems
30 may be difficult under those circumstances but the

McCambly, Le Clair
In Chief

1 things that might well alleviate them are a good number
2 of hours of work to be available so that people are busy
3 and regular in and out on the job. I'm not trying to
4 minimize the problems that are inherent in working in
5 the dark or in the extreme cold. I've had a little
6 experience with it. It's not all that pleasant. The
7 problems are quite severe.

8 Q Right. But you're saying
9 if you can keep people busy, that that's--

10 A Well, that's a few of the
11 keys.

12 Q Yes, I understand. Do you
13 envisage native people, through their organizations,
14 participating in the collective bargaining process?

15 WITNESS LE CLAIR: Are you talking about the
16 proposed project agreement, if there is one?

17 Q Yes.

18 A Well, I would think that
19 they would be involved to this extent. We talked about
20 the manpower delivery system and the role that Outreach
21 would play. So, in that respect, evidently they would
22 be involved. What involvement they would have as far
23 as the wages and working conditions; well not working
24 conditions but wages and fringe benefits, we would hope
25 that that would be just a standard pick-up type of
26 agreement. There's no problem with involvement from the
27 native groups as far as we're concerned.

McCamby & LeClair
Cross-Exam by Bayly

1 Q Is that an unusual thing
2 because
3 as I understand negotiations in search of a labour
4 agreement, they generally take place between organized
5 labour and management and bringing a third party in
6 that represents a special interest group sounds to
7 me a bit unusual, is that something that you've
8 experienced elsewhere on this continent?

9 WITNESS McCAMBLY: Well, you
10 see, maybe we're talking about two different things.
11 If you're talking about the negotiations of a collective
12 agreement, anyone who is a member of that union is
13 involved in that procedure of developing an agreement
14 However, in this case, and it's not totally unique,
15 we are probably also talking about some form of
16 a project agreement that will deal with unique conditions
17 for this project and in that sense, then the
18 interests and the attitudes of those who will be
19 involved should certainly be heard and they should
20 participate.

21 Q And you would see them
22 participating at some stage in working out the project
23 agreement.

24 A Yes, I think that they
25 should be involved in -- there's no point in putting
26 together an agreement that isn't going to meet the
27 needs of those that are involved. If there's any
28 question that the input isn't there, then it should
29 be obtained.

30 Q Yes. Now, if I could
ask you to look at item 15 on the subject of alcohol,

McCamby & LeClair
Cross-Exam by Bayly

1 and you probably heard the evidence yesterday afternoon.

2 A I didn't.

3 Q Didn't you? The other
4 panelists seemed to suggest that alcohol should be
5 permitted to individual workers that perhaps a licenced
6 outlet in the camp would also be a good idea, but that
7 it doesn't work to restrict a man's or to forbid a man
8 to have a bottle in his room or in his suitcase and
9 all that produces is a great deal more bootlegging. Do
10 you have experience with that and would you agree with
11 the general consensus of the men that gave evidence
12 yesterday?

13 A Well, I think our
14 position is quite clear here, but there are some other
15 experiences in Alberta that Lawrence, I think could
16 probably elaborate on.

17 WITNESS LE CLAIR: Yes, we've
18 got a job site working and again we refer to the Syncrude
19 project. We've got an excess of 7,000 people on that
20 project and there is an actual tavern right in the
21 center of that job site. It sells beer, it sells
22 liquor, there's pool tables, shuffle boards etc., it's
23 like an ordinary tavern in any ordinary city and since
24 the inception of that thing there's been excellent
25 co-operation by the tradesmen and all the people
26 involved in running it and we have found that bootlegging
27 is -- I don't think there's any bootlegging. That
28 still doesn't stop the individual from bringing a
29 case of beer or a bottle of whiskey in his room because
30 he might not choose to go to the bar, he might just

1 want to drink at home and watch television and we
2 see that same thing for this particular project. There's
3 no -- we found this a lot better since that's been up
4 there than the days ten years ago of G.C.O.S.

5 Q And can you explain
6 those letters to me, I don't know what that means.

7 A Oh, I'm sorry, the
8 building of the Great Canadian Oil Sands plant which
9 was the first tar sands plant which started in 1965.
10 All that done was made millionaires out of a lot of
11 bootleggers and pimps and this one now, if a guy wants
12 a drink he goes down to the bar and has one. If he
13 wants two or three of them he has them and he goes
14 back to his camp and there's no problem.

15 Q Have you found that in
16 the Syncrude project or in any other project you're
17 acquainted with recently that possession of drugs has
18 been a problem in the camps?

19 A It has been a problem,
20 and as indicated there yesterday, I think that the
21 Criminal Code of Canada allows sufficient protection
22 for the R.C.M.P. to investigate if they figure that
23 there's some people with drugs. We definitely support
24 the firing or the removal of anybody that's using drugs
25 on a job site.

26 Q And do you agree then
27 with the other panelists that it shouldn't be the
28 security personnel of the camp but should be the
29 peace officers in the region.

30 A Absolutely. It should

1 a member of the R.C.M.P. or somebody who is authorized
2 under the Crown to do that. We do not support some
3 security organization searching our members.

4 Q All right. And do you
5 go along with the concerns expressed by the panelist
6 yesterday about firearms in camps as well?

7 A We do not allow firearms
8 in -- we have project rules that cover camps in the
9 province of Alberta and those are negotiated with the
10 Alberta Construction Association and they're just as
11 binding as a collective agreement is and there's no
12 firearms of any kind allowed in camp sites.

13 Q Do you feel that it
14 would be, that your council would look favourably upon
15 including in the project agreement restrictions on
16 hunting and fishing of camp personnel while they're
17 north of 60 and employed on this project?

18 A Well, that's -- you
19 know, I realize that that's one of the objectives, I
20 believe of part of the land claims settlement and I
21 don't want to comment too much on that because I'm
22 not completely familiar with them, but I think as a
23 Canadian citizen that if he decides that he wants to
24 go a hundred miles north of Yellowknife and do a little
25 bit of fishing, I think he should be able to do that,
26 just as the northerner from the Northwest Territories
27 is able to go fishing or hunting in any other part
28 of Canada providing he has the proper licence. So,
29 I wouldn't want any restrictions on anybody, if he meets
30 all the requirements of a Canadian citizen.

McCamby & LeClair
Cross-Exam by Bayly

1 MR. BAYLY: Those are all
2 the questions I have, thank you very much sir.

3 THE COMMISSIONER: Any
4 re-examination?

5 MR. GOUDGE: Yes, I have some
6 questions for this panel, I wonder if it's an appropriate
7 /time
to break for coffee?

8 THE COMMISSIONER: All right,
9 we'll break for coffee.

10 (PROCEEDINGS ADJOURNED FOR A FEW MINUTES)

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McCamby, LeClair
Re-Examination

1 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

2 THE COMMISSIONER: Well, shall
3 we begin again.

4 RE-DIRECT EXAMINATION BY MR. GOUDGE:

5 Q Yes, sir. Mr. McCamby,
6 let me ask you whether you anticipate as far as building
7 trades are concerned, there will be a project agreement
8 for the construction of other than pipeline facilities
9 on this project, one single project agreement.

10 WITNESS MCCAMBLY: Well, I
11 don't know whether it could be envisaged that there
12 would be an agreement for only that work other than
13 pipeline. There are agreements that cover work other
14 than pipeline and there are distinct differences
15 between the agreements that cover the pipeline work
16 itself.

17 However, I think an
18 overall agreement is something that to say the least
19 would have to be thoroughly investigated.

20 Q Is it preferable that
21 there be a single project agreement for example,
22 compressor stations, wharf sites and so on rather than
23 trade by trade agreements?

24 A Well, I wouldn't want you
25 to misinterpret what a project agreement is but I think
26 that it would be desirable to have a project agreement.
27 However, a project agreement may well just cover basic
28 factors and it may append other agreements. So that
29 as opposed to a project agreement that takes in all
30 conditions is, you know, I'm not talking about that

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1 kind of an agreement which we have had in some areas.
2 For example, Churchill Falls, an agreement there took
3 in all of the conditions that applied to all of the
4 trades. That type of agreement is rather passe. It
5 hasn't -- we haven't been involved in that type of
6 situation for some time now.

7 Q Let me ask you from your
8 experience with these various options which makes the
9 most sense from a labour relations point of view -- a
10 full scale project agreement covering all the trades
11 and all the terms and conditions, the hybrid project
12 agreement you spoke of covering main conditions
13 with attachments for the various trades or unique
14 agreements for each of the trades. Which works best?

15 A I would think that
16 the hybrid that you referred to would be the most
17 appropriate to be considered.

18 Q Mr. LeClair, do you have
19 any comment on that based on your experience? Would
20 you concur with that?

21 WITNESS LeCLAIR: Yes, I think
22 that type of an agreement would be more suitable where
23 you negotiate general conditions, you appendix the
24 applicable agreements per craft because of the conditions
25 that are accrued to a particular craft, we have found
26 that that is usually the best situation.

27 Q And something like --
28 and I take it it would be simultaneous bargaining by
29 all the trades?

30 A Yes, what we done on the

McCambly, LeClair
Re-Examination

1 Syncrude project is we negotiated a project agreement
2 for general conditions and on the back of the agreement
3 the particular crafts that put their appendix in the
4 agreement.

5 Q And that bargaining
6 takes place all at once, I take it, to use your Syncrude
7 example, so that you avoid the situation of staggered
8 strikes by each of the various trades.

9 A Yes, it was a joint effort.
10 Right.

11 Q Yes, and I take it, Mr.
12 McCambly, that would be your preference for this project?

13 WITNESS McCAMBLY: Yes, that
14 would be my preference although I must say that we
15 have run into a lot of difficulty and opposition from
16 some contractor groups in developing that kind of an
17 agreement in recent years.

18 Q Why?

19 A Well, I don't mean to
20 take up the position of any contractors that may have
21 opposition but it in some ways usurps the bargaining that
22 they would normally do in a given area.

23 Q Let me move to skill
24 assessment; you make reference to that as item number one
25 on page 7 of your evidence and there's no doubt, I take
26 it, that skill assessments of natives and in general
27 northerners that would in your view take place best in
28 the communities where those people reside?

29 A Sure.

30 Q What role do you see

McCamby, LeClair
Re-Examination

1 your member union playing in that skill assessment
2 process?

3 A Well, in training programs
4 and I don't think that that is too far removed from
5 skill assessment, people who are already very well highly
6 skilled at given trades are the most appropriate usually
7 to assess judgment on the ability of an individual or
8 to assist him.

9 Q Let me raise a problem
10 that or ask you about the situation and whether it
11 poses a problem given that your council represent 15
12 trades, does that mean that proper skill assessment
13 requires visits by sixteen or fifteen assessors, one
14 per trade, or is there some kind of multi-trade system
15 that could be worked out to limit assessment visits
16 to the communities?

17 A Well, that is a pretty
18 difficult question to zero in on. I would guess that
19 there should be able to be some sort of multi-trade
20 assessment initially and possibly in the sort of final
21 assessment process, more detailed assessment that
22 persons from the various trades should be involved.

23 It might be that some of
24 the trades could be lumped together to some degree in
25 assessing the aptitude or ability of the person to go
26 into maybe more than one trade.

27 Q Mechanical and non-
28 mechanical for example?

29 A For example, maybe a
30 little narrower than that but that kind of assessment, yes.

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Re-Examination

1 Q Could your council
2 serve as a kind of umbrella source for assessors
3 providing one or two assessors that cover the range
4 of skills?

5 A I think when you get
6 to that point the union should be involved. I'm sure
7 that the council could serve as an umbrella but the
8 pride of each individual craft organization is pretty
9 jealously held and you know, I think that the people
10 from those organizations would like to have an input
11 in final assessment, and it would be valuable.

12 Q Does that input require
13 face to face contact with the person being assessed?

14 A I would have to think that
15 it would.

16 Q Do you have any thoughts
17 on the solution to the problem that craft by craft
18 assessment presents insofar as it requires a large
19 number of assessors to visit the community?

20 A Well, I have given
21 some thought to this and I'm sure that I don't have any
22 or all of the pat answers but it would appear to me that
23 after let's say that the pipeline proposal was given the
24 green light to go ahead and a manpower delivery system
25 was developed, that those involved should develop the
26 methodology of providing that system and the craft
27 unions being one part of it.

28 Now, I don't want to
29 try to prejudge what input they may like to have. It
30 varies considerably, some may be able to be prepared to

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1 establish some sort of criteria and then not be involved
2 very much. The only thing that seems quite obvious is
3 in training programs where the Federal Government or
4 Provincial Governments have been involved. They
5 do bring in skilled tradesmen and utilize them in that
6 process and that really is the kind of thing that I'm
7 thinking of here more than say a business agent or
8 something. It's somebody who is knowledgeable in a
9 given trade to go in with the consent of the union and
10 with the -- whatever the process is that's developed.

11 Q Now, on page 4 of your
12 brief in dealing with the assessment and training you
13 say that the person to be trained must have a natural
14 aptitude and ability to do the work for which he is
15 being trained. That's in the middle of the last
16 paragraph on the page. I take it from that that the
17 skill assessment process that is operative now has
18 some provisions for assessing natural aptitude and
19 ability. Is that formalized in any sense or is that
20 simply the opinion of the assessor?

21 A Well, I think that we're
22 looking at a different problem here in that usually
23 the assessment of whether a person has the ability
24 aptitude or desire to get into a specific trade other
25 than in this situation is primarily evidenced by the
26 fact that he is working with or associated with that
27 trade and anxious to get involved. So in this case
28 where we're looking at a different situation where there
29 are a number of persons who may feel they have an
30 interest the initial assessment may be much more

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1 broad and much more difficult and there again is why
2 we have said that even after having made an assessment
3 you know, they'd better be prepared to accept the fact
4 that wrong judgments will be made. You shouldn't -- it
5 shouldn't be pursued if it's wrong. The person should
6 be, you know, shuffled and put into something where he's
7 going to be more suited to acquire skills.

8 Q So, in your experience
9 the decision as to the existence of natural
10 aptitude and ability is made after a certain period
11 of time in the training program?

12 A Well, I think it would be --
13 there would be different stages to it but again to
14 develop that in any amount of detail I think it would
15 have to be done by all of the parties concerned in some
16 ways as envisaged in the Gemini study.

17 Q Yes, then on page 5 of
18 your evidence, you refer to your undertaking to train
19 as many bona fide Canadian Territorial residents as
20 practical and possible. Have you given any thought
21 to the numbers or percentages that may be inherent in
22 your term "practical and possible"?
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If I could, Mr. Commissioner, I'd like to just relate this to -- I think it's somewhat near a simile of a situation that I was involved with some 19 or 20 years ago in southern Alberta when pipeline construction was just commencing in Canada at any large degree and all of the expertise in management and in the workforce came from the United States and we had a very difficult job to get Canadians onto these particular pieces of equipment or various skills on the line and we were involved with having to try to send American people back across the border and give Canadians an opportunity. It's somewhat similar to this situation, we have people that have a limited amount of skills and they need the opportunity and having a different situation here though that I think everyone, certainly the unions are interested and anxious in providing that opportunity to as many people who are genuinely interested in becoming tradesmen as is possible and that particular paragraph that you have picked out, I think is one of the most significant paragraphs in our presentation because if we pursue that and do everything that we can in getting as many people who are genuinely interested trained and an opportunity for employment and an opportunity for advancement

1 I think that we will have really succeeded in accomplishing
2 something valid and something that is worthwhile for
3 for northern residents.

4 Q Let me ask it this way,
5 Mr. McCambly, from the point of view of practicality,
6 or efficiency, is it viable to contemplate training
7 positions or new hire positions on this project for
8 all northerners who may want to work on the project?

9 A I don't know, I rather
10 think it is, but I haven't heard any accurate assessment
11 of who is available and who is interested in actually
12 becoming skilled in various trades and that type of
13 assessment, I think is necessary and would have to
14 be given to us before we could answer a question like
15 that.

16 Q I take it that is so
17 because there is an upper limit on the number of
18 trainees you could have on any spread or any project
19 from the point of view of efficiency?

20 A Well, efficiency is
21 one thing certainly, but safety is probably more
22 important.

23 Q I see.

24 A And also, you know, to
25 be able to really train these people and give them
26 an opportunity.

27 Q Well, taking those
28 three constraining factors, efficiency, safety and
29 training capability, is there any rule of thumb in
30 your experience as to the percentage of a given construction

1 work force that can be made up of trainees. Let me
2 say, before you answer that we --

3 THE COMMISSIONER: He's already
4 answered. He said no.

5 MR. GOUDGE: There is none and
6 I take it from that that if I put to you my cut figure
7 of ten percent you'd have to decline to confirm that.

8 A Well, I arrived here
9 early enough yesterday to hear you say that and I
10 think that it's pie in the sky to say ten percent or
11 five or fifteen or any given figure, but rather the
12 effort should be to put people on every opportunity
13 that's available and that's considering that it will
14 create some costs and extra costs, and it will create
15 some lack of productivity and these problems, you
16 know, we're going to have to face them. But, if every-
17 body is doing their best to ensure that if there's
18 an opportunity for a northern resident to get employment,
19 to get training and he will get on there and he'll be
20 given that opportunity, then I don't think you need
21 worry about the percentages because there are enough
22 groups, and I think that most are present here today,
23 including the unions, who will ensure that that will
24 be done.

25 THE COMMISSIONER: Mr. McCambly,
26 you're, if I understand it, you have said that the
27 first thing is to get a reading on the number of
28 persons genuinely interested in pipeline construction,
29 their present skill levels, that until you have satisfied
30 yourself as to those matters, it is ridiculous to talk

1 about a certain percentage of positions on the construc-
2 tion project being open to native persons. That's
3 essentially what you're saying as I understand it.

4 A Yes.

5 Q Now, let me see if there
6 isn't a corollary to that. You told us and the panel
7 did yesterday, about the beginnings of the pipeline
8 construction industry in this country in the late
9 '40's and early '50's, they like you said it was an
10 American industry and there were no front end welders
11 in Canada, there were no side-boom operators; with the
12 passage of 25 years it is now a Canadian industry.

13 A M-hm.

14 Q But is it your view
15 that the prospect of northerners achieving those highly
16 skilled positions on this project, if it does go ahead,
17 are very limited indeed? You said in your brief here
18 that there are thousands of people who can weld two
19 pieces ^{of metal} together but there are very few who have the
20 artistic ability and steady hand to weld on a pipeline.

21 Now, if there are those who
22 have the artistic ability and steady hand to weld
23 on a pipeline and they do live here in the north, you'd
24 have to train them first of all, presumably there isn't
25 anybody that you put to work on the front end of a
26 pipeline spread as a welder unless he's got some years
27 of experience behind him. Then you say there are
28 thousands of people who can run a tractor but there
29 are very few who can qualify to run a side-boom on a
30 big inch pipe. The same thing goes. You would be

1 misleading the people of the north if you told them
2 that there was any realistic prospect of any of them
3 becoming front end welders or side-boom operators
4 during the life of this project, is that --

5 A Yes.

6 Q Is that what you're
7 thinking?

8 A I think it would be
9 highly improbably because of the extreme difficulty .
10 The normal on-the-job training process, which has made
11 Canadians, let's say southern Canadians as efficient
12 or more efficient than anybody else in the world is
13 generally the process of starting on a very small
14 pipe and getting larger, larger, 20 inch, 24 inch up
15 to 30, 32, 36 and that is a big step when somebody
16 goes, say from 16 inch to 24 or 36 inch pipe, that's
17 a very big step in the tolerances and the weight factors
18 and everything become much more crucial and that is
19 one of the real problems here, is that we're starting
20 with the biggest and so it would be -- it wouldn't be
21 wise, I think, to mislead anybody that this will be
22 the most difficult and largest job undertaken, the
23 largest job undertaken free enterprise operation
24 and the largest pipeline undertaken.

25 So, it would be nice if we
26 had a lot of little ones to build first, but they are
27 not there, that I know of.

28 Q Foothills
29 has two laterals but they're building them after.

30 And there's another

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Re-Examination

1 consideration, you're saying to people if you really
2 want to become a front end welder or a side-boom operator,
3 you better understand that even if, during the life
4 of the project you achieve those skills, there won't
5 be any work for you in the Northwest Territories and
6 the Yukon unless another pipeline is built and if you're
7 going to follow your trade, you're going to have to
8 follow the pipeline industry across the country and
9 perhaps across the world.

10 A That's true, that's
11 true, pipeliner's travel strictly on rumours
12 to get work, you know, it's very, very mobile and
13 frankly, it -- we've said too, that other construction
14 processes are going to run a close second, but
15 particularly the more specialized it gets. The more
16 specialized then the fewer locations that an opportunity
17 for employment presents itself.

1 MR. GOUDGE: On page five of
2 your brief, Mr. McCambly, you talk about in the second
3 full paragraph the necessity of a very thorough screening
4 of anyone desiring to learn a trade, advanced screening,
5 I take it. That I suppose is part of the assessment
6 process. Is that so?

7 A Umm-hmm.

8 Q And channeling to a trade
9 using this advanced screening process is something in
10 which unions have traditionally had an involvement?

11 A Yes.

12 Q Is their involvement the
13 same as their involvement in the overall assessment
14 process which you talked about a few minutes ago or is
15 there anything unique about channeling people to specific
16 trades?

17 A Well, the matter of
18 channeling people, again, hasn't been undertaken the
19 way-- to the extent that we're talking about here. But
20 there has been examples of persons being involved in a
21 training program simply because they met certain
22 resident criteria and not because they had any potential
23 skills and I suggest that that is a very frustrating
24 position to put anyone in, to let him assume that he
25 may become very proficient when if there's any way
26 possible of assessing that he'll never make it, the
27 earlier that you could inform that person, the better,
28 and put somebody else in who could make it.

29 Q What's the union's role
30 traditionally in making that assessment, making that

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1 screening process work? Is it to have one of their own
2 highly skilled people as part of the screening process
3 or is it simply to set up criteria administered by,
4 for example, a government screening process?

5 A Well, we're talking
6 about different situations. For an apprenticeship
7 program, for example, usually the union has some very
8 capable people involved in a procedure of indenturing
9 apprentices and following
10 them through their training. Where in some other trades
11 where there isn't an apprenticeship program, very often
12 that kind of an assessment is made on the job from some-
13 one who shows interest and has worked associated with
14 the job and would like to learn and by virtue of his
15 colleagues or journeymen that he's working with, teaching
16 him and recommending him for further training that he
17 would likely receive that opportunity.

18 The difficulty here is that we're
19 looking at something more advanced than that again and
20 so I don't want to profess to suggest that I have the
21 answers to it. I think that it's going to take some
22 indepth discussion with everyone involved to try to
23 determine what's the best route to take, to try to
24 identify the best people for the best jobs, for their
25 most suited jobs. I just don't want to give you a false
26 illusion that we have all the answers for that and we
27 have said that to get into that situation really, all
28 of the people involved, native organizations, communities,
29 the unions, probably employers, should get involved
30 similar to what is suggested in the Gemini Study.

Q In the Gemini Study?

1 A Yes. I could pick out the
2 specific part of it, if you wish.

3 Q Now, dealing with the
4 Gemini Study, not as to that, but as to pre-training
5 counselling which is another subject you deal with
6 on page seven of your evidence; you describe the
7 necessity to counsel Northerners and perhaps in
8 particular on what a union is all about and how it
9 operates.

10 Gemini North in their report,
11 which I believe you've had a chance to look at, discusses
12 such a program at page 90. I wonder if you have had a
13 chance to read what they say about that kind of program
14 and if you have, whether you have any comments on the
15 program they suggest.

16 A Well, I have read it and
17 I think that there's a lot of thought has gone
18 into what they have said and basically I think it's
19 sound. The information involved in having someone who
20 is not familiar with the union to become more familiar
21 is certainly an important factor but I think that equally
22 or more important is familiarization with the type of
23 things that may be encountered on the work site with
24 which the person is not familiar.

25 I don't think that the
26 familiarization with the union process is a very difficult
27 one. It's one that should be considered but it's only
28 one of several that may be more important.

29 Q Dealing with then, pre-
30 job training which goes beyond simply counselling people

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Re-Examination

1 about what a union is, you've referred to facilities
2 that exist in the South. Let me ask you whether you
3 have any thoughts^{on} or better, any familiarity with the
4 use of a facility we've spoken about to other panels
5 without much success and that is a practice work camp.
6 Let me give you a few details and ask you to comment
7 on it. This would be a training facility in the North
8 in which northerners would receive effectively on-the-
9 job training but pre-job training in a multi-skilled
10 actual work site camp. Are you familiar with that as
11 a prototype anywhere in your jurisdiction and if you
12 are or even if you aren't, do you have any thoughts
13 on it as a training facility?

14 A I'm not familiar with
15 it except with the exception of I guess the labourers
16 who are more experienced than us.

17 WITNESS LE CLAIR: The
18 Labourers Organization in Fort McMurray to Alberta
19 Vocational College, they have a program going of seven
20 weeks where they train labourers and once they're
21 graduated, they're employed on the Syncrude project
22 or other projects around the Fort McMurray area and
23 it's worked very well.

24 As indicated yesterday by
25 Mr. Dyck and again this morning, he tells me that of
26 990 labourers that are employed on the Syncrude project,
27 roughly 50% have come out of the Fort McMurray area
28 and are graduates to some extent, not all of them.
29 Most of them are graduates out of the Fort McMurray
30 College, a seven week course. Our better tradesmen

McCambly, Le Clair
Re-Examination

1 and the people that are coming in from other--whites
2 or non-natives or natives that had not taken the
3 training.

4 Q And am I correct that the
5 s even week course is essentially a training program
6 where you learn by doing in an actual camp setting?

7 A Right.

8 Q And as well, you live
9 under normal camp conditions and operate just as you
10 would on the project itself?

11 A I'm not sure if all of
12 them live in camp or some of them live in town. Some
13 of them are close enough to the Town of Fort McMurray
14 that they may commute.

15 Q Is that the kind of
16 facility that you could see applicable for other trades
17 besides the labourers?

18 A Sure.

19 WITNESS MCCAMBLY: Well, at
20 least for the familiarization process. For actual
21 trade training, it would only be a basic. I think it
22 could probably be referred to as a--

23 WITNESS LE CLAIR: Pre-
24 employment training.

25 WITNESS MCCAMBLY: --on site
26 familiarization sort of thing.

27 Q Is there any enhancement
28 to the training gained from that kind of facility by
29 having it a multi-trade operation, not simply trade
30 by trade ?

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1 WITNESS LE CLAIR: Well, if you
2 are thinking of training a welder, because of the
3 complexity involved in it, you wouldn't want him--if
4 he wants to be a welder, he should be spending his time
5 in welding, not laying pipe or rigging steel, because
6 he's never going to get proficient enough in any one
7 of them to do any part of it.

8 Q I don't mean it in that
9 sense, Mr. Le Clair, but rather in this sense, that
10 somebody desiring to achieve journeyman status as a
11 welder would learn to work with the other trades that
12 welders must work with on the projects. We've been told
13 that laying the pipe requires four trades. Building
14 the compressor stations may require fifteen or more
15 trades.

16 The project teams for each of
17 those facilities will be multi-trade. Is it possible
18 that a training facility embodying those trades might
19 be more productive because those being trained were
20 being trained side by side with the other trades they
21 would have to work with on the project?

22 A There's no doubt that if
23 they had the actual experience of building something
24 of a model of an existing future facility, he's going
25 to be more apt to be a better tradesman on the actual
26 project.

27 Q Would you agree with that,
28 Mr. McCamby--

29 A Sure.

30 Q --that as a training device,

1 it makes sense?

2 WITNESS MCCAMBLY: Any type
3 of familiarization like that has to be of assistance.
4 It has to improve the understanding and ability of the
5 person's familiarization.

6 Q Now, you deal on page
7 eight with your thoughts as to dispatch and here again
8 I'd like to refer you to the Gemini North Report where
9 are page 99 through 101 some ten recommendations are
10 made by Gemini North concerning a dispatch system.

11 Let me ask you whether you've
12 had a chance to read that because I hope you would and
13 if you have, whether you have any comments on the
14 viability of the scheme that Gemini North sets out
15 there?

16 A Well, I have read it and
17 in general I think that it is quite viable.

18 Q I'm sorry?

19 A I say I have read it and
20 in general I think it is quite viable. I'm not sure
21 that it goes into all of the details that need to be
22 considered but it certainly--there's a lot of thought
23 that has gone into it. There needs to be some sort of
24 procedure for people who are northerners can be
25 identified and can be sort of identified more
26 specifically as to where they might go and then develop
27 a dispatch procedure whereby they can go direct to a
28 job site in conjunction with say an Edmonton hiring
29 hall.
30

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1 Q And I take it there are
2 no recommendations there that you would find unworkable
3 based on your experience?

4 A I didn't take exception
5 to any specific recommendations. I wouldn't like to
6 suggest though that it is a total answer. I think it
7 might be a good start and go from there and examine
8 it further.

9 Q Yes, now dealing with
10 your on-the-job training program comments, would you agree
11 or disagree with this proposition that one of the principal
12 aims of an on-the-job training program for this project
13 be the achievement of journeyman status in whatever
14 trade is being pursued?

15 A One of the desirable
16 achievements?

17 Q One of the aims of any
18 on-the-job training program.

19 A Certainly.

20 Q And I take it the
21 corollary of that is that on-the-job training programs
22 have to encompass all aspects of the given trades being
23 trained for so that journeyman status can be obtained
24 at the conclusion of the program. Is that so?

25 A Well, again that varies
26 because some trades to reach journeyman's status need
27 a broad training and it's one of the areas that we
28 always try to continue to encourage is the broad
29 training so that the person trained will have a broader
30 opportunity for employment after he becomes a journeyman.

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There are other situations where a person can be a journeyman in a specialized field and so in that regard it may be more possible to advance people to a journeyman's status quicker more or less as a specialist but his room for flexibility would be somewhat less.

Q Yes. Then on page 8 as well you refer to quotas and indicate as we've heard from others your opposition to a quota system. I'm correct though in understanding your earlier evidence that you do favour a northern or a native northern preference for hire and training?

A M-hmm. Yes.

Q Would you go this far with me insofar as quotas are concerned that they at least permit the policing of a northern hire preference in the sense that it's easy to tell where -- whether northerners are being hired in sufficient numbers if you measure it through quotas?

A That sounds like a back door approach to something we discussed earlier but I, you know, I think that again if you have the people involved in a monitoring program to see where there may be jobs that would provide an opportunity for training that are not being utilized then changes should be made or in the process of an evolution, those types of jobs should be filled with trainees.

Now, you know, I don't know how you can relate that to a quota, if you can you've got some kind of a magic figure that I don't and the

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1 problem is that there are so many dangers as we have
2 stated in our brief with a quota system that I don't
3 think that's desirable for anybody, unless you don't
4 get co-operation, if you don't get co-operation it
5 might be a different thing.

6 Q Co-operation is crucial
7 if you don't have quotas.

8 A It is, it is, there's
9 no doubt about that and you know --

10 Q How do you ensure that?

11 A Well, I think by
12 monitoring and you know, I feel quite confident that
13 the unions and the people representing the northerners
14 or the natives are quite capable of being involved in
15 that monitoring process and raising holy heck if
16 the process isn't operating, you know, efficiently.

17 Q Could a monitoring pro-
18 cess work this way, placing an onus upon either the
19 union or the contractor or both to explain why avail-
20 able northerners are not present on the job site if
21 they appear on the list of those available to work?

22 A Well, there should,
23 logically be some sort of onuses like that, I would
24 think, but again, they could be best developed --

25 Q I'm sorry?

26 A I say, they could, I
27 think, be best developed in a co-operative discussion
28 prior to commencement of the work by those people
29 you've just mentioned.

30 Q Let me move to two more

1 areas, Mr. McCambly, one is work crews that you address
2 on page ten. You speak there of total integration of
3 work crews. Let me ask you about, particularly the
4 building trade experience in the south from this point
5 of view, has it been your experience, to any degree at
6 all that in the south integrated work crews suffer from
7 problems of communication because of language barriers?

8 A I can't say that I have
9 experienced that, but Mr. LeClair and myself were dis-
10 cussing this and we're interested in asking the question
11 here because maybe we have not given adequate considera-
12 tion to problems that may exist here in communication.
13 I don't really know what the degree of the communication
14 problem that may exist. If that is a problem, then,
15 you know, there's going to have to be some means to
16 take care of it. I don't know whether that's with
17 native counsellors, I don't -- you know, it may be
18 with persons on a crew who speak the native tongue and
19 English. There may be different ways to approach it,
20 but that could be a constraint that should be considered,
21 but you asked a question about previous problems in
22 that regard and I can't say that I know of it except
23 in Quebec.

24 Q Would you conceive of
25 all native crews as a possible solution to that problem,
26 assuming with me, for the moment, that it is a problem
27 in the north.

28 THE COMMISSIONER: You rejected
29 that in your brief, as I recall, you urged integration
30 of crews. Do you wish to qualify that?

1 A Yes. I would assume
2 that if you take total native crews that they may learn
3 one particular process and will stagnate at that point
4 and the best opportunity for advancement is to be
5 working with persons who have a variety of skills.

6 Now, it's possible that there
7 are natives that are well trained in certain fields and
8 maybe they might be able to train the rest of the crew
9 further, I wouldn't discourage that, but we've said
10 here we certainly don't want to indicate in any way
11 that there should be any segregation or anything of
12 that sort, that's the last thing on our mind and further
13 that the opportunity for training is much more likely
14 to be there if the crews are integrated with journeymen
15 in various fields so that these people will pick up
16 and learn new skills day by day.

17 MR. GOUDGE: Now, lastly
18 on page ten you refer to non-union employers and I take
19 it when you anticipate no non-union employment activity
20 on the project you're speaking there of contractors
21 building the project, is that so?

22 A Yes, well, contractors
23 or their employees involved in the total construction
24 process.

25 Q Yes. I take it you would
26 not, though, be referring or are you referring to sub-
27 contracts of a small nature that may be involved in
28 peripheral activities supplying the main project for
29 example?

30 A Well, that gets into a

1 gray area and probably the scope of the project would
2 need definition and I don't know just how peripheral
3 you're talking about but if there is direct association
4 with the project, I think they should be involved with
5 the same type of collective agreements as any other
6 contractor that may be involved in the construction
7 process. Without that, you know, we could have some
8 sort of a dogs breakfast that would be extremely difficult
9 to handle.

10 Q Let me ask you this,
11 is the process of defining the extent of the project
12 something that will be part of the collective agreements
13 governing the main project? Part of the project
14 agreement?

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1 A I would say so, yes.

2 MR. GOUDGE: Those are all
3 the questions I have sir, of this panel, thank you.

4 THE COMMISSIONER: Well,
5 thank you very much, Mr. McCambly and Mr. LeClair for
6 being good enough to come here and to share your
7 knowledge and experience with us and let me thank you
8 for taking the trouble to respond to Mr. Haynes 16
9 points in a specific and useful way as you have. It
10 is very helpful to us, as I said to the panel yesterday,
11 to have a complete understanding of the way the pipeline
12 construction industry operates so that any proposals
13 the Inquiry makes to ensure that northerners are hired
14 will be proposals that will not delay construction
15 if they are implemented and will in fact enable northerners
16 to acquire skills of lasting usefulness to them and
17 to the north and I certainly appreciate the contribution
18 you both have made and on behalf of my colleagues here
19 and myself, let me thank you very much.

20 WITNESS LE CLAIR: Thank you.

21 WITNESS McCAMBLY: Well,
22 Mr. Commissioner, we appreciate being here and offer
23 our continued assistance for whatever may develop from
24 here on out.

25 THE COMMISSIONER: Thank you.

26 (WITNESSES ASIDE)

27 MR. GOUDGE: Sir, may I
28 suggest that we break for lunch now, we have two presenta-
29 tions for the rest of today. One a relatively long,
30 not too long, but of some length and the other relatively

1 short and rather than have the C.L.C. brief begin now
2 and have to be interrupted for lunch, I think it might
3 be preferable if we broke, say until 1:30 and began with
4 it then.

5 THE COMMISSIONER: All right,
6 we'll adjourn until 1:30 and we'll hear the C.L.C.
7 brief then.

8 (PROCEEDINGS ADJOURNED UNTIL 1:30 P.M.)
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1 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

2 MR. GOUDGE: We are prepared
3 to resume. The presentation for this afternoon is to
4 be made on behalf of the Canadian Labour Congress and
5 before we do that, Mr. Hollingworth has advised me that
6 he has one or two matters that he would like to put on
7 the record.

8 MR. HOLLINGWORTH: Three things,
9 Mr. Commissioner. First I've approached my fellow
10 Council and advised them that there is still a matter
11 of Mr. Kosten's evidence that was left over from the
12 second panel of Foothills phase four evidence that he
13 had been scheduled to come up here at a time convenient
14 to all for cross-examination.

15 MR. STEEVES: No one in the back
16 here can hear what you're saying.

17 MR. HOLLINGWORTH: All right,
18 I'll start again. Three things, Mr. Commissioner.
19 The first revolves around Mr. Kosten's evidence--

20 MR. STEEVES: I can't hear you.

21 MR. HOLLINGWORTH: The first
22 thing revolves around Mr. Kosten's appearance--

23 MR. STEEVES: I still can't hear.

24 MR. HOLLINGWORTH: It's a matter
25 of critical importance frankly. If you will recall,
26 Mr. Kosten couldn't appear at the time the second panel
27 of Foothill's phase four evidence went on and it was
28 agreed that he would come back at a time to be agreeable
29 to--or he would come up at a time agreeable to Council.

30 I've advised my friends that Mr.

1 Kosten is under medical orders not to appear on further
2 panels. They apparently have no questions for him or
3 at least questions that cannot be answered by corres-
4 pondence and apparently are prepared to let the matter
5 go at that. So, as far as I'm concerned, it seems that
6 cross-examination of that panel is concluded subject
7 to any written questions that might be forwarded by
8 my friends which will certainly be looked after promptly.

9 The second thing sir, is the
10 filing which is made at the request of Commission
11 Council. It's a document prepared by Foothills called
12 "Cost Comparison between Warm Water and Methanol Water
13 Testing".

14 The third matter is also a
15 filing in response to questions put by the Northwest
16 Territories Association of Municipalities which we
17 undertook to file questions regarding the "Gas to
18 Communities Plan." I'd like to file both of those documents
19 at this time sir.

20 MR. GOUDGE: I take it, sir,
21 we can proceed with the CLC presentation.

22 THE COMMISSIONER: Yes, I'd
23 like a copy of this before we start.

24 MR. GOUDGE: The Canadian
25 Labour Congress presentation is being made as the others
26 before them have been made at our request following your
27 request. We've received from them as from the other
28 panels that you've heard over the last two days,
29 co-operation, for which we're very grateful. The
30 presentation will be made by the three gentlemen before

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1 you and reading from my left they are Mr. Gene Mitchell,
2 Mr. Neil Reimer and Mr. Seppo Nousiainen.

3 Let me begin with you, Mr.
4 Reimer, You're the national director of the Oil,
5 Chemical and Atomic Worker's International Union.
6 Is that correct?

7 NEIL REIMER, sworn:

8 E. A. MITCHELL, sworn:

9 SEPPO NOUSIAINEN, sworn:

10 DIRECT EXAMINATION BY MR. GOUDGE:

11 WITNESS REIMER: That's correct.

12 Q And you've been in that
13 position for twenty-two years?

14 A About that.

15 Q And you're the Chairman
16 of the Canadian Labour Congress Energy Committee and
17 Vice-president for the last twenty years approximately
18 of the Canadian Labour Congress, is that so?

19 A That's right.

20 Q You're a member of the
21 Science Council of Canada and the Committee of Policies
22 on Poisons. Is that correct?

23 A That's right.

24 Q And finally you're a
25 member of the Senate of the University of Alberta. Now,
26 Mr. Mitchell, you're the Executive Secretary of the
27 Alberta Federation of Labour and I take it you've held
28 that position for six years.

29 WITNESS MITCHELL: That's true.

30 Q And you're a member of the
Canadian Labour Congress Energy Committee?

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1 A Yes.

2 Q And a member of the
3 Advisory Committee, Native Outreach Canada Manpower?

4 A Yes.

5 Q And prior to your work
6 with the Alberta Federation of Labour you were on staff
7 as a staff representative with the Oil, Chemical and
8 Atomic Worker's International Union. Is that so?

9 A Yes.

10 Q Mr. Nousiainen, you're
11 the Assistant Director of the Research Department of
12 the Canadian Labour Congress, is that so?

13 WITNESS NOUSIAINEN: Yes.

14 Q How long have you held
15 that position?

16 A About four years.

17 Q And you're a member of
18 the Canadian Council on Rural Development. That is a
19 council operating under the aegis of the Department
20 of Regional Economic Expansion. Is that correct?

21 A Correct.

22 Q Thank you, gentlemen.
23 Mr. Reimer, would you please begin the brief of the
24 Canadian Labour Congress.

25 WITNESS REIMER: Mr.
26 Commissioner, we're pleased as the Canadian Labour
27 Congress to appear before you. This brief bears the
28 signature of the four executive officers of the
29 Canadian Labour Congress. It is actually presented to
30 them for signature and study by the Energy Committee.

The Energy Committee names don't appear in the brief but I think I should let you know who they are in order that you can appreciate the wide scope of representation that there is on the Committee. They are Shirley Carr who is the Executive Vice President. She wanted me personally to express the regrets on her behalf that she couldn't be here. Joe Morris is in England right now and it appears like the other congress officers have projects in mind that keeps them busy. Shirley has to run the congress today. She very much wanted to be here but she expresses her regrets in that manner.

There's Ron Duncan of the Oil, Chemical, Atomic Worker's Union. E.A. Mitchell of the Alberta Federation of Labour. Ken Waldie of the United Steel Worker's of America. Irv Nessel, whom you met yesterday of the operating engineers. Kealy Cummings of CUPE. Cliff Pilkey of the United Automobile Workers. Seppo Nousiainen, who is here with us today and Doug Forgie of the Labour Union.

Our Committee has been charged by the congress first of all to draft an energy policy for the Canadian Labour Movement which is to be presented in two successive conventions. The Executive Council met, Mr. Commissioner, and referred the question of your Inquiry to us, to be dealt with. We have taken it rather seriously and we have met with many people.

First of all, we express our appreciation to the two applicants, both the Foothills and Arctic Gas who have filed all their information

14 We drafted our energy policy
15 at the present time. Of course, we've done work on this
16 and presently our pre-occupation is conservation and
17 alternate energy sources because as you know, as we
18 say in our brief, that energy means jobs to Canadian
19 workers and we can't take this whole field of energy
20 very lightly because it's of extreme importance to us
21 and its social consequences as well.

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1 Mr. Commissioner, the proposal
2 to build a pipeline from the Mackenzie Delta to points
3 in southern Canada represents one of the largest projects
4 ever contemplated in Canada. Depending upon the source
5 of one's figures, the cost of the project could amount
6 to anywhere between five to ten billion dollars and as
7 such would probably command the energies and resources
8 of Canadians beyond anything we have ever seen
9 before.

10 It is obvious that a project of
11 this magnitude and potential importance will have
12 implications for the nation as a whole. To
13 many, it is seen as a very real solution to the longer
14 term energy problems facing this nation. Indeed the
15 case may be, the applicants in this is that Canada
16 faces imminent shortages of natural gas and to meet
17 these shortages the pipeline must be built from the
18 Arctic to the southern markets. Beyond this, Arctic
19 Gas further claims that Canadians will benefit through
20 growth and total output, employment, expenditures and
21 incomes and that regional economic goals will also
22 be advanced, as well the position of the native people
23 of the north.

24 Taken to its most optimistic
25 conclusion, this project is seen as more than simply
26 an activity in the national interest. It should be
27 considered a national priority.

28 The Trade Union movement
29 is of course very concerned that appropriate policies
30 and programmes are found to solve our energy problems.

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1 We know, that having access to adequate sources of
2 energy ~~is~~ vital to maintain our ability to create jobs
3 and incomes in this country and all other factors
4 which determine our current standard of living.

5 On the basic question then,
6 of securing adequate sources of energy there should
7 be little debate, but there should be debate on whether
8 this particular proposal takes us in the right direction
9 or whether we would not be better off doing something
10 else. For example, developing gasification of coal
11 and having conservation, nuclear energy or
12 other alternate sources.

13 With respect ot the question
14 of whether we need a pipeline in the first place, we
15 might point out that ^{at} the moment evidence for or against
16 this particular pipeline or any other pipeline is far
17 from being ~~con~~clusive.

18 While we do not deny that
19 more natural gas is needed, we are not convinced that
20 an Arctic pipeline is the only way of attaining this
21 gas. Suffice it to say that an answer to this question
22 would require development of an integrated, overall
23 energy policy for Canada, taking into account not
24 only the role of the conventional sources of natural
25 gas, but also advances which could reasonably be made
26 in the development of synthetic forms of gases. Beyond
27 this, it is necessary to be much more specific about
28 how our energy requirements could better be
29 satisfied by the development of non-depleting resources
30 or sources of energy as opposed to relying almost

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1 entirely upon non-renewable resources. But since we
2 do not have a comprehensive energy policy in Canada
3 today, which would answer some of these questions, serious
4 debate about the need for the pipeline must wait for
5 another day.

6 One of the things that
7 the Canadian Labour Congress, in particular, has deplored
8 over the years, Mr. Commissioner, is really that the
9 federal government has not had an energy policy and we
10 say that they really haven't got one today other than
11 charging more, higher prices and conservation will come
12 about as a result of higher prices.

13 As to the benefits to be gained
14 through gross output, employment incomes and so on,
15 the obvious question is whether these could not be
16 better provided through other types of activities, in
17 manufacturing, for instance. Again, the evidence for
18 and against is far from clear, signalling the need for
19 more comprehensive information.

20 While the precise implications
21 of building a pipeline are still very much open to
22 question, nevertheless we do know that if not handled
23 right, the very magnitude of the project guarantees
24 severe repercussions across the country. But these
25 repercussions will pale in significance to what will
26 happen to the north.

27 Put simply, it is our view
28 that a project of this kind, if it comes about, will
29 once and for all change the future course of history
30 in the northern part of our country. Nothing ever will

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1 be quite the same again and we are therefore, more than
2 pleased that the government of our country has appointed
3 you, Mr. Berger, to inquire into the terms and conditions
4 that ought to be imposed in respect of any right-of-way
5 that might be granted Arctic Gas or others.

6 The Canadian Labour Congress
7 represents more than two million organized workers
8 in Canada, many of whom work in the north, and it is
9 our conviction that we have an obligation to make our
10 views known to your Inquiry about the kinds of issues
11 that must be resolved before this kind of undertaking
12 is launched. We, like many other Canadians, view the
13 proposed project not simply as another multi-billion
14 dollar resource venture, but an arena within which
15 history will ultimately judge Canadians. The fact is
16 that we have an opportunity to make a choice on whether
17 we continue to do things as we have always done them or
18 whether we finally make a break with prevailing habits
19 of thought and deed and proceed in a way that will be
20 judged both just and humane. Indeed this
21 may well be our last opportunity, given that we are
22 concerned here with that area of our country that
23 has come to be known as the last frontier. For this
24 reason then, if for no other, we cannot but agree with
25 your words that we have to do it right.

26 In our reading of the pro-
27 ceedings of this Inquiry, we have been most impressed
28 by the views of the native people of the north, about
29 the kind of future they wish for their land. Whatever
30 may ultimately take place, we have nothing but the
strongest sympathy for those that wish to see a different

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1 path of development for the north than might evolve
2 under existing circumstances.

3 The native people are right
4 we believe, when they state that we must bring to
5 an end the habit of viewing the north as little more
6 than a convenient source of raw materials to be fed into
7 the southern industrial machine. They're also right
8 in not accepting the philosophy of development which
9 is opposed from the top down, with regard for the
10 institutions and the values of the indigenous peoples
11 themselves.

12 In the words of an organization
13 representing native people of the north, this type
14 of development amounts to nothing more than a continua-
15 tion of paternalistic colonial system for planning
16 for the north, with no view to the viable alternatives
17 as presented by those who have lived and continued to
18 live in the north. It further amounts to a continuation
19 of the dependency status of native people and despite
20 increased development and increased monetary outlay
21 on behalf of the native people, social disintegration
22 tends to rise as does the incidence of alcoholism and
23 large scale dependence on social services.

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1 As opposed to this colonial
2 style of development, the native people have proposed
3 another model of development they have termed the
4 "community model of development". Various elements
5 of this model have been described in the following
6 way.

7 It means development by the
8 community rather than by outsiders. It means development
9 by the community as a whole rather than by the individuals
10 within the community. It means not participating even
11 as workers in activities you cannot control. If such
12 developments go ahead anyway, such as large resource
13 developments, Indian people, as owners of the resource,
14 should benefit from royalties and the political rights
15 of Indian people, which would be threatened by an influx
16 of white workers, would be protected by entrenching them
17 as part of the land settlement.

18 It means getting expertise
19 when it is needed in the form of short term technical
20 assistance without giving up ownership, even of the
21 joint venture variety.

22 It means long term planning
23 and priorities, since it's impossible to do everything.
24 It means continuity with the past by contemplating and
25 reinforcing traditional pursuits and by drawing in the
26 community's experience.

27 It means communities relating
28 to each other, regionally and for the Mackenzie District
29 as a whole, for unity means power. It means the process
30 which unites and builds up the community's sense of self

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1 and the sense of all its members.

2 It means that development is
3 implemented in a way that fits the Indian way of doing
4 things which is not the same as the government's way
5 or the company's way. It means learning by doing so
6 that development becomes an on-going, self-reinforcing
7 process.

8 It means both greater economic
9 independence and greater autonomy. It means maintaining
10 an egalitarian and sharing society. It means setting
11 an example for Canada. It means growth in Indian
12 communities, not only economic development but cultural,
13 social, political and spiritual development and the
14 sum is greater than the parts.

15 It is evident from the foregoing
16 that the native people of the North view development
17 from a perspective which differs significantly from
18 what we ordinarily attribute to this word. Its essence,
19 however, lies in the idea that development, as opposed
20 to being fueled by large external forces, must be placed
21 on the control of those people and communities who are
22 to be most directly affected by it. It further remains
23 that if development is to come about, it must occur in
24 a balanced context, respecting not only the imperatives
25 of profits or of the national interest, but must first
26 and foremost respect the unique institutions, ways of
27 life, and culture of the people of the North.

28 We have absolutely no quarrel
29 with the vision proposed by the native people of the
30 North. We believe it is time that all Canadians reject

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1 a way of life where individuals and groups are relegated
2 to a position of merely responding to the powerful
3 social and economic forces created by large governments
4 and profit maximizing multinational corporations. The
5 native people of the North are saying that they no longer
6 wish to be controlled, but want to do the controlling
7 themselves.

8 If the vision proposed by the
9 native organizations--let me just explain there, Mr.
10 Commissioner. We don't find that really to be such a
11 strange request because remember a sample in the
12 petroleum development and the oil development out in
13 Alberta, that a former government, like Premier Manning
14 halted the development of the Tar Sands. He wouldn't
15 allow the development of the Tar Sands because he felt
16 that would injure the conventional industry development.

17 These were decisions made
18 within the province. The Alberta Government first of
19 all decided to export natural gas, even though very few
20 of us in number and I was one of them who objected to
21 it at that time because there obviously weren't sufficient
22 reserves but people were led to believe that there were.
23 So, actually the people of Alberta decided how the
24 development in that area would take place. We see the
25 request being made by native people down here and by
26 northerners is not too much different except that
27 they haven't got provincial status.

28 If the vision proposed by
29 native organizations is to have any chance of succeeding,
30 it may be preceded by a just and equitable settlement

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1 of land claims. The importance of settling the question
2 of land ownership before any pipeline is built is what
3 makes this hearing so crucial because the very essence
4 of any indigenous culture is determined by the
5 relationship with land.

6 We find ourselves in complete
7 agreement with the position put forth by the native
8 groups of the North in relation to the question of
9 land settlements. While we do not pretend to understand
10 all the intricacies which define land and the native
11 persons, we have been sufficiently convinced that there
12 is such a relationship and therefore, to proceed with
13 a pipeline prior to an equitable settlement of existing
14 claims would be unthinkable.

15 While we have no special
16 competence in evaluating the environmental consequences
17 of a pipeline in the North, we nevertheless wish to
18 express our general support for the obvious concern
19 your Inquiry is showing for this issue. The Canadian
20 Labour Congress has for many years advocated the
21 necessity of adopting strict environmental impact
22 studies and subsequent management standards in any
23 natural resource undertaking, and we trust that in this
24 particular case, given the especially fragile environ-
25 ment of the North, no short-cuts will be taken.

26 We furthermore believe that
27 the environmental aspects as they relate to this pipeline
28 should be viewed with an even greater measure of care
29 than might ordinarily occur given that the very
30 existence, in both physical and social terms, of so many

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1 people in the North is dependent upon a sound physical
2 environment. One needs only to read some of the
3 submissions of the native peoples to be able to
4 understand how closely the question of everything physical
5 is intertwined with not simply the ability to make a
6 living, but many other things as well.

7 We recognize that a project
8 of the magnitude of the Mackenzie Valley Pipeline will
9 have vast implications for the economy and general
10 way of life in the North, both during the construction
11 phase and well beyond it. There is plenty of evidence
12 to indicate that during the construction phase prices
13 will rise, as will wages, that many instabilities will
14 occur throughout the whole of the northern economy.
15 There is really no way of escaping these forces although
16 they can be moderated through appropriate economic
17 policies largely at the discretion of the Federal
18 Government.

19 The Mackenzie Valley Pipeline
20 Application Assessment Group has prepared a capable
21 analysis of the main short-to-medium term effects of
22 constructing a pipeline and we have no essential
23 differences with the conclusions drawn. The only
24 question that remains to be answered is how do we in
25 fact deal with those instabilities.

26 While we are not in a position
27 to offer detailed economic program on how the northern
28 economy should be tuned during the construction phase,
29 we do however know that one of the most crucial elements
30 in reducing instability will be the role that the

1 Federal Government takes in terms of overall economic
2 planning. Were they for example, to make the mistake
3 of allowing a number of major resource projects to
4 commence roughly at the same time, pressures would then
5 begin to build up in various sectors of the economy,
6 which in turn would be translated into the northern
7 regional economy. In the same way, were the pipeline
8 project to be started at a time when the overall economy
9 is at capacity, serious consequences would inevitably
10 visit upon the regional economy.

11 I might point out, for example,
12 there's a methane pipeline to be built to Sarnia and
13 to the United States. There are billions of dollars
14 worth of construction for petrochemicals scheduled
15 for Alberta. There possibly could be other Tar Sands
16 development. We are trying to point out that the Federal Government,
17 we feel, has a responsibility in scheduling some of
18 these coming on stream. Other than that, there will
19 be a backup either as a priority in their mind and
20 maybe some of the others will have to be deferred.
21 Other than that, it will have serious regional and
22 national consequences.

23 Therefore, it is our view that
24 your Inquiry should make the utmost effort to impress
25 upon the government of our country that if this project
26 is undertaken, the question of timing will be of utmost
27 importance. Otherwise, the consequences of the northern
28 economy, which in any case will be under severe pressure,
29 will turn out to be that much worse.

30 While it is important to recog-

1 nize that the timing of start-up of a project of this
2 size will have significant impact on the regional
3 economy, it is equally important to understand that
4 once the project is finished, problems of very severe
5 proportions could surface. Depending on when the
6 project finishes, the North could easily experience
7 a very serious decline in economic activity unless
8 something were done explicitly to counter this. The
9 report prepared by the pipeline assessment group
10 recognizes a potential for this to happen but when we
11 are not reassured that enough attention has been given
12 to this problem. Indeed, it seems to be assumed that
13 continuing oil and gas activity should keep the region
14 going beyond the construction period; however, this
15 cannot be taken for granted.

16 I'd like to say here that if
17 there is a major undertaking like this, then, of course,
18 we hope there won't be a boom and bust economy, people
19 just left to pick up the pieces. There is no guarantee
20 of oil and gas, continuing oil and gas activity up
21 here. We've seen in Alberta, just by the mere change
22 of taxation structures, there was much said and drillers
23 and rigs were moving out and drilling in the United
24 States, even though sometimes holes parallel to
25 existing ones because the policy down there was for
26 a new well you can get a bigger price.

27 They've come back to some
28 extent. They're still absent in the Province of
29 Saskatchewan largely because their royalty
30 structure hasn't changed. So, there are many

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1 factors. There is no guarantee of continuing exploration
2 activity. The point we wish to make is that the
3 problems should now be recognized very explicitly and
4 that those who are responsible for the overall economic
5 policy make a full commitment to do something about
6 it. We, like many others, fear that once the panic
7 with the pipeline is over and the national interest
8 has been served, the people of the region are going to
9 be left with very little to do but clean up the chaos.

10 We trust that your recommendations
11 will deal with this problem.

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1 There's yet another problem,
2 which in our opinion has not received the kind of
3 attention during this Inquiry that it should have had.
4 This problem concerns the degree to which it is desirable
5 for any pipelines in the north to be publicly owned
6 as to being financed from private sources.

7 We bring this question up
8 at this point because Canadians have historically
9 shown no hesitation about public ownership in those
10 kinds of projects where it has been felt that the
11 private ownership cannot be trusted to serve the people's
12 interest for a variety of reasons. We suggest that
13 this Inquiry take a very hard look at this question
14 particularly since there is no guarantee that the
15 government will not, at some point, be asked to bail
16 out the private interests as has occurred in the recent
17 Syncrude case.

18 If it seems that the govern-
19 ment is going to have to step in at some stage in the
20 future at any case, we believe that it is far more
21 preferable that full implications of various degrees
22 of public involvement be fully understood from the
23 beginning and that the appropriate decisions be taken
24 accordingly.

25 While a successful solution
26 to the short and medium term problems is at least
27 within the realm of the possible, it would be a serious
28 mistake were we to assume that that is all there is
29 to the problem. What concerns us is that aside from
30 the submission made by the native organization, there

1 is very little discussion about the broader ramifications
2 of what might happen to the north as a result of this
3 project and what is even more important, what Canadians
4 wish to see happen in the north.

5 Certainly there is much
6 that has been said about the pipeline, how the pipeline
7 will effect the future of the north. You yourself,
8 Mr. Commissioner, have stated that this Inquiry is not
9 just about a pipeline but is about the future of the
10 north. Therefore, recognition has been given that
11 it is the larger term issues and directions in which
12 the north will develop that should concern us and is
13 our belief that this issue as opposed to being an
14 afterthought should be brought to the centerstage where
15 it most appropriately belongs.

16 We begin with the basic
17 proposition, that before the pipeline is built in
18 the north, we should first determine how and to what
19 extent such development will serve the needs and the
20 interests of the people of the north. This question
21 pre-supposes that someone has given serious thought
22 to developing a larger term strategy for the north in
23 both economic and social terms and has within the con-
24 text attempted to determine whether a pipeline makes
25 sense. Unfortunately we have not found much evidence
26 to suggest that long term planning in the north is
27 receiving the kind of attention that it deserves.

28 Indeed, if the pipeline goes
29 through in its present state it will amount to little
30 more than the continuation of a philosophy of develop-

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1 ment imposed from the top down without thought being
2 given to the special abilities, needs, institutions
3 or culture of those who will be most seriously affected
4 by this development.

5 We suggest, Mr. Commissioner,
6 that you do your utmost to reverse this trend. One way
7 of doing this would be for you to recommend that before
8 the pipeline goes through, machinery be established
9 which would enable the people of the north to begin
10 to put together a strategy of northern development.
11 This will not be easy to do for it involves fundamental
12 change in the way we think about development. Among
13 other things it will mean the adoption of a political
14 framework which is representative of the northern
15 population and their unique ways of life and institution.

16 An equitable settlement
17 to native land claims falls into this area. It will
18 mean the provision of adequate financial resources as
19 long -- on a long term basis to enable northerners to
20 adequately identify opportunities and needs which may
21 serve their special interests. It will mean that a
22 political dialogue must begin between representatives
23 of the northern people and representatives of other
24 Canadians with the view of determining how we can best
25 accommodate the national interest with the interests
26 of the northern peoples.

27 And finally, it will mean
28 that other Canadians must learn to exercise a measure
29 of patience to enable northerners to acquaint them-
30 selves with the vast problems they face.

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1 It is the last requirement
2 which will probably be the most difficult of all to
3 meet. We are told daily that Canada faces an energy
4 crisis and that one way of solving the crisis would
5 be to build the pipeline as fast as possible. This
6 point of view is carefully promoted by the petroleum
7 companies and the government says practically the same
8 thing. We must have energy. How can we allow a few
9 thousand people to stand in our way?

10 While we do not deny that
11 Canadians are in need of other sources of energy,
12 we are not convinced that we need to sacrifice the
13 whole future of the north to solve our problems.
14 Instead of being panicked into building a pipeline at
15 any cost, we should first insist that before we go
16 ahead with any projects of this kind, we must have a
17 better idea about what this energy crisis is all about.
18 This in turn means that someone has to begin to plan
19 our way through the crisis having due regard to
20 only for what can be added to our supplies through
21 substitutions but which kinds of conservation measures
22 can realistically brought on stream.

23 The issue of energy conserva-
24 tion is particularly crucial. At the moment, the
25 policies of government at all levels are designed
26 largely to enhance our energy supply position but not
27 nearly enough is being done to bring about conservation.
28 We suggest that a far greater emphasis should now
29 be given to devising policies which would help us to
30 conserve energy and is perhaps in this manner that we'll

ultimately solve our energy crisis.

Aside from the issue of energy conservation, we must also gain a better idea about the role of exports and multi-national corporations and the energy equation and how public agencies must play a more useful role. In short, ^{before} we are pushed into a project of the magnitude of the Mackenzie Valley Pipeline, it is imperative that Canada develop a comprehensive energy policy, of which we have none now, which includes planning at all levels of government with the aim of making some sense out of the situation we find ourselves in.

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1 A pipeline down the Mackenzie
2 Valley will not make us or break us in terms of overall
3 energy policy. I think we have graphs to show that in
4 any event, we are going to be net importers and that
5 we're going to be short as far as up to 1890. We fully
6 understand that it is not up to this Inquiry to decide
7 whether a pipeline goes through, but we also believe
8 that it would be a mistake were your recommendations
9 to be made without a full knowledge of the context in
10 which they are made.

11 We find it extremely difficult
12 to separate the concerns of your Inquiry about the
13 conditions which might have to be imposed on the event
14 that a pipeline is to be built and the question of
15 whether in fact we need a pipeline at all. All we can
16 say is that above all else, there can be no haste or
17 short-cuts taken in a well-intended effort to solve
18 some of our energy problems. To do so would be to
19 seriously impair the ability of the North to find its
20 own way through the turbulent times which are undoubtedly,
21 but necessarily, ahead of it.

22 None of the foregoing need mean
23 that there can be no further development in the North.
24 Nor does it mean that there can be no pipeline. Our
25 proposal is simply directed towards the need to think
26 about the broader issues facing northern peoples and
27 how we might go about providing the means to do this.
28 We suggest that it is just as much in the interest of
29 all Canadians to work towards the goal of balanced
30 development in the North as it is in the interests of the

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1 northerners.

2 While we are in no position
3 to be able to offer a detailed blueprint of the way
4 the North should develop, indeed it is not up to us,
5 we do have one area of expertise which may turn out to
6 be useful in the longer run. Our concern here is with
7 legislation regarding labour relations as they may be
8 adopted at some future date.

9 Some time ago the Congress had
10 the opportunity to participate in an Inquiry relating
11 to the development of a labour code for the Northwest
12 Territories. The Congress became aware, as events
13 proceeded, that pressures were being brought to bear to
14 develop a very restrictive piece of legislation. This
15 was actually a copy of the Alberta Labour Act which we
16 really think is the most restrictive in Canada.

17 While we do not intend to give
18 a detailed listing of the deficiencies in the proposed
19 legislation, we might point out that its net effect would
20 have been the creation of a system of industrial relations
21 in the North which would not serve either the interests
22 of the northern people or the communities in which they
23 live.

24 Gene, do you want to elaborate
25 a little bit because you're party to that.

26 WITNESS MITCHELL: Yes, Mr.
27 Commissioner, the Northwest Territories government
28 did set up a Board of Inquiry into matters of labour
29 standards and labour relations in the Territories back
30 in, I believe, 1972. This inquiry was chaired by Doctor

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Ken Pew who is past Deputy Minister of Labour in the Province of Alberta. Subsequent to those hearings and the report of that inquiry, some changes were made in labour standards but there was thought given to bringing in a whole new labour code for the Territories. The Territories are presently under the Canada Labour Code. The Alberta Federation of Labour made representation at that time. The Canadian Labour Congress and other groups made representation. We had a number of meetings with the people up here that were in charge of drafting legislation for the Territories and we were very disappointed in the direction that the proposed legislation was taking.

It was really nothing more than a carbon copy of the Alberta Labour Act and we don't hesitate to say that we consider it one of the most repressive, punitive pieces of labour legislation in Canada and there's no way, as a labour movement, that we were prepared to have that type of legislation faisted upon the workers of the Territories.

In fact, a proposed draft was presented to the Council of the Territories. However, it did die on the order paper in 1974. There has been some discussion since and we've had assurances that there would be no further legislation presented or drawn up without some consultation with the Canadian Labour Congress. At this point in time, we really don't know what's happening. There's nothing recent developed on it.

But there are many, many problems

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1 that face the workers presently, even working under the
2 Canada Labour Code. I know of two cases that are
3 presently before the Canada Labour Relations Board;
4 matters of certification that have been before that
5 Board for months. The unions here in the Territories
6 are wanting to get the certification so that they can
7 get on to the job of collective bargaining and to, in
8 fact, represent the people who want to be represented,
9 and we're finding that these certifications are now being
10 tied up with court procedures and all kinds of delays.

11 Other problems that arise as
12 questions of unfair labour practices occur. It takes,
13 in most cases, weeks and sometimes months to have an
14 inspector come in here and investigate the problem and
15 try to resolve it and we're certainly of the opinion
16 that some proper legislation must be developed for the
17 Territories but we're also very much concerned about
18 the thrust that that legislation will take and we're
19 very concerned--the people must be guaranteed some basic
20 rights under labour legislation.

21 The right of association, of
22 freedom to organize without interference from employers
23 and the right to carry on collective bargaining. We
24 heard the I.L.O. Conventions quoted yesterday. The I.L.O.
25 Convention stated this very clearly, that workers should
26 have these basic rights and guaranteed to them under
27 legislation. The type of legislation that's been
28 developed in some of the provinces and for instance,
29 Alberta, doesn't guarantee that right. In fact it
30 interferes with the right of workers.

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Without going into many details on that, we can pursue that later, but we want to get into the details of the restrictiveness of that type of legislation but we're certainly of the opinion that that isn't the type of legislation that is required up here.

WITNESS REIMER: The Congress naturally took to oppose what was being proposed and we were happy to note that many of our objections were taken seriously. We understand that as result of our representations, the code is now being completely revised.

The point we wish to make is that whatever may ultimately take place in the North, serious consideration must be given to devising an equitable and workable system of legislation relating to rights and obligations of both employers and employees. Indeed, free collective bargaining in good industrial relations presupposes such legislation.

The importance of giving more than passing attention to the problem of developing a comprehensive system of collective bargaining in the North cannot be overemphasized. We have examined this problem in detail and have to the initial conclusion that unless the weight of this problem is thoroughly understood, there is every danger that the North will not be able to compete in any kind of equal footing with the type of economic institutions which will increasingly become a presence in the North.

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1 We take as given that some
2 form of industrial activity will take place in the North
3 of the future and the engine that will drive this
4 activity will be the multinational corporation in its
5 most highly developed form. Very probably, these
6 corporations will be concentrated in the extractive
7 industry, most heavily in gas and oil.

8 The multinational petroleum
9 corporation is the epitome of sophisticated capitalism,
10 having as its command enormous resources in both
11 human and material terms and let me say I respect their
12 competence.

13 It is a self-governing
14 enterprise having little regard for national
15 boundaries. Because of its vast command of resources
16 and its ability to allocate jobs and investment on
17 a world-wide basis, it is in a very real position to
18 challenge the very power of nation states, and is
19 increasingly doing so.
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1 It is our opinion that the
2 oil companies have a degree of influence in this country
3 to a far greater extent than is desirable from any
4 point of view. When we take a look at the recent
5 history with regard to both oil and gas reserves to under-
6 stand the measure of influence enjoyed by these
7 corporations, vis-a-vis national governments.

If governments have found a multi-national petroleum corporation a difficult institution to handle, it should not be surprising that the experience of the trade union movement has been equally unsatisfactory over the years, yet we have fought the corporations, ^{we} have learned through long and hard experiences how to cope although in no way do we consider the situation to be satisfactory today.

Taking this argument a step further, it seems self-evident to us at least, that any group of people such as the northerners, who do not possess the great deal of experience in dealing with the multi-nationals must have protection of an extraordinary kind. A first, but essential step, in our view, would be the adoption of carefully thought out advanced set of laws governing relations between employers and employees. The congress, over the years has worked at hard at what it considers to be a sound set out principles regulating the employer and employer relationships. We believe that our experience and the types of principles we now advocate could be useful put to work in the north. We will be happy to work with anyone in an attempt to see how our views

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1 of good industrial relations might be adaptable to
2 the north. We are fully aware however that some
3 of the practices/we advocate in a highly industrialized
4 which
5 southern environment may have to be altered to fit
6 the general way of life as it exists in the north.

7 There is one additional
8 aspect to all of this, as noted in the foregoing, the
9 multi-national corporation presents a great potential
10 danger to the institutions and the way of life of
11 northerners unless protection of a special kind is
12 provided. Any experience we have had with this type
13 of organization has taught us that the multi-national
14 will do its utmost to gain the upper hand in any
15 situation it encounters. One favourite way in labour
16 relations is the creation of what is known as joint
17 councils, independent or company unions.

18 Some of these joint councils
19 and whatnot have been outlawed in the United States
20 for forty years but they still exist in Canada, they
21 should be outlawed here too.

22 Through these arrangements
23 that the company attempts to control workers and
24 expand its point of view in general. Attempts will
25 be made to co-opt the youngest and the most capable
26 members of any particular group with offers of higher
27 remuneration and these people in turn to become the
28 advanced men for the industry, selling the values of
29 the industry, not only within the enterprise, but
30 also within the community. If this process is allowed,

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1 legitimate workers organizations will be dealt a virtual
2 death blow and beginning in most of the battles of the
3 Trade Union movement has had to fight in the south will
4 all have to be have fought again in the north.

5 Taken in the foregoing
6 context, it is ironic to hear the companies talk about
7 the legitimate social and cultural aspirations of the
8 native people of the north, when in reality our experience
9 throughout the world has been that every step of the
10 way industry has resisted any effective say by its
11 employees in determining their own working conditions,
12 let alone influencing the behaviour of the corporations
13 in society. And since many of the cultural social
14 aspirations of the native people rest upon collective
15 values, we would expect an even greater effort on the
16 part of the corporations to do their utmost to co-opt
17 the people of the north into a system of belief, simply
18 because they do not like the alternatives and the
19 system of belief, of course, is individualism.

20 To counteract these dangers,
21 we suggest that when consideration is given to the
22 formulation of labour legislation in the north serious
23 consideration should be given to providing an extra
24 measure of protection, over and beyond that which is
25 found normally in various labour codes at the provincial
26 and federal levels. One way of doing this would be to
27 give the people of the north a priority right to
28 legitimate trade union representation without their
29 having to demonstrate that they want unionization through
30 the normal process of certification. The right of trade

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1 union representation would therefore become a rule and
2 a basic right. The procedure of course, would be the
3 reverse if they didn't want a union application, if
4 they didn't want those rights rather than lifting the
5 rights.

6
7 What is suggested in the
8 foregoing runs contrary to the usual Canadian practice,
9 the Canadian practice has brought us good labour
10 relations, but our opinion is justified by the need
11 to give protection to the northern workers and their
12 relation with employers. We would be pleased to work
13 with anyone in attempt to determine how such a system
14 would best serve the interests of the people of the
15 north and how it could be reconciled with other
16 systems and institutions currently known in the north.

17 While preparing this brief
18 we had a number of opportunities to meet with representa-
19 tives of native organizations to discuss problems
20 relating to specific issues, as these may arise in the
21 event that a pipeline is to be built. One subject can
22 receive considerable attention was a question of employ-
23 ment opportunities for native people on pipeline
24 related jobs, and how potential problems could be
25 solved well in advance of the event itself.

26 Arctic Gas has made it well-
27 known and has made belief that northern residents and
28 native northerners in particular, will be given preferen-
29 tial treatment on pipeline jobs and this of course,
30 is to the good, and I think they'll do that.

Indeed, their position is

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1 litle more than good business sense, given the fact
2 that native northerners represent the most logical
3 source of manpower for this particular project or any other
4 project in the north.

5 It might also be argued that
6 in some respects maybe communities ought to have some
7 bargaining rights with respect to the social services
8 that is required.

9 From the trade union point
10 of view, a number of questions were asked about the
11 degree which hiring practices could be made to facilitate
12 the entry of northerners into the labour force, particularly
13 during the construction phase. Representatives of
14 the Canadian Labour Congress in turn pointed out that
15 the negotiation administration of collective agreements
16 falls within the jurisdiction of the pipeline unions
17 themselves and these matters could best be resolved by
18 contacting the specific unions.

19 Contact has been made with
20 these unions and it is our understanding that a brief
21 has been presented to the Inquiry of the Alberta and
22 District of Mackenzie Building and Construction Trades
23 Council, dealing with the relevant issues.

24 Our reading of the building
25 trades brief indicates that these unions have made a
26 firm commitment towards improving the position of
27 northern residents on pipeline jobs. The basic thrust
28 of this brief may be gained by reference to the
29 conclusion where it is stated that:

30 "We trust that this submission will assure

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1 you Commission of the sincerity of the
2 Building Trades Unions in doing all we
3 can to assist bona fide residents of the
4 Canadian territories in familiarization,
5 job opportunity and training. Our members
6 obtained most of their trade knowledge
7 from other tradesmen and this type of
8 commitment on our part is the most essential
9 ingredient in providing an opportunity for
10 northern Canadians to learn a trade."

11 Respectfully submitted on
12 behalf of the Canadian Labour Congress.
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1 Thank you very much, Mr.
2 Commissioner. We'll be pleased to answer any questions.
3 I will refer all tough questions to Seppo. I'll answer
4 the easy ones myself.

5 MR. GOUDGE: Thank you.

6 THE COMMISSIONER: Now, you
7 know where you stand.

8 MR. STEEVES: I think I'm
9 familiar with the rulings you have made from time to
10 time about relevance but it seems to me that we're
11 faced with a new situation here and that is this,
12 as I understand the position, these gentlemen had been
13 called before you by your own staff,

14 Now, that seems to put a stamp
15 of approval and a stamp of relevancy on everything that
16 they have said to you.

17 THE COMMISSIONER: No.

18 MR. STEEVES: Excuse me.

19 THE COMMISSIONER: Mr. Steeves,
20 the Commission Council prepares evidence and submits
21 it and it has no higher standing or lesser standing
22 than the evidence presented by the companies or anybody
23 else. I don't even see the evidence in the normal
24 course of events until the people arrive here and begin
25 to read it and even then sometimes I'm not provided
26 with it.

27 MR. STEEVES: Let me interrupt
28 you to say of course you don't and I'm not implying
29 anything of that kind. But I repeat the question, is
30 there any significance in the fact that this evidence

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1 is being tendered by the Inquiry staff? If there is
2 no particular significance in that, then I take it
3 that your previous rulings on this kind of evidence,
4 where it touches on international relations, the national
5 interests, the public interest, the labour relations
6 in Canada generally and on and on and on, is of no
7 interests or concern to you and that I can let it
8 by.

9 THE COMMISSIONER: That's
10 right. The rulings I've made from time to time apply
11 equally to this panel and all other panels called by
12 Commission Council In fact, as I understand it,
13 Commission Council and the staff simply asked the
14 Congress to come, as a most important ^{national} labour organization,
15 to present their views, and the Congress prepared this
16 brief and the staff had nothing to do with it. I'd
17 be amazed if they had anything to do with it.

18 WITNESS NOUSIAINEN: No,
19 nothing. Indeed, we asked to come here.

20 THE COMMISSIONER: That's
21 the way it happened sir.

22 WITNESS NOUSIAINEN: When the
23 Inquiry was first set up, we chose--we say in our brief
24 we have an obligation to make our views known about
25 this kind of Inquiry and it's our choice as a trade
26 union movement to come to this Inquiry. No one asked
27 us.

28 MR. STEEVES: Did you look at
29 the terms of reference of this Inquiry?

30 A Of course we did, yes.

1 MR. STEEVES: Oh, I see.

2 MR. GOUDGE: I should say,
3 Mr. Commissioner, as I said before, that the C.L.C.
4 indicated they would like to come. We were anxious
5 that they do so, being a representative organization
6 as they are and they've co-operated with us fully in
7 terms of expediting the time when they're going to be
8 here and so on and we're grateful for that.

9 THE COMMISSIONER: Excuse me,
10 Mr. Steeves. The panel that was called this morning
11 was called by Commission Council and the staff and they
12 went, I think, beyond the terms of reference of the
13 Inquiry and endorsed your project, Arctic Gas.

14 MR. STEEVES: Well, that's
15 why perhaps I didn't take the objection. No, I'm
16 sorry. Quite seriously, the full force and effect of
17 the problem comes out in the evidence of these
18 gentlemen. In view of your ruling, I have no questions.

19 MR. GOUDGE: Mr. Hollingworth
20 would be next.

21 MR. HOLLINGWORTH: Well, sir
22 I'd like to bear your ruling in mind but I'm also a
23 little troubled. I got this evidence yesterday and
24 I haven't had a chance to pass it on to my client and
25 it could be that there are questions arising out of it.
26 If the evidence is irrelevant, that's well and good,
27 but nevertheless, it's gone on the record and there
28 may be some questions arising out of it and I'd like
29 to reserve the right to bring these gentlemen back.

30 MR. GOUDGE: Let me say this,

1 sir. We would be happy to expedite the delivery of
2 any questions Mr. Hollingworth may have to these
3 gentlemen and prevail upon them to respond by letter
4 if that is satisfactory and I'm sure something can
5 be worked out if Mr. Hollingworth, upon consideration,
6 feels that there are questions he would like to ask
7 after consulting his advisors.

8 MR. HOLLINGWORTH: Well, this
9 isn't an Inquiry of written interrogatories. I would
10 like these gentlemen to come back if I have questions.

11 THE COMMISSIONER: Mr. Reimer
12 has indicated he will come back should that be
13 necessary. Let me make one thing clear that this brief
14 has dealt with many of the important issues before the
15 Inquiry; the whole question of northern development,
16 the question of land claims and so on and so forth and
17 it appears, to a lesser extent than many other briefs
18 have done, to offend against the rulings of the Inquiry
19 and as I said this morning, we've allowed a considerable
20 latitude to the presidents of the two companies, who
21 I'm sure are well acquainted with the terms of reference
22 of the Inquiry and so we've allowed the same latitude
23 in a spirit of good feeling to just about everybody
24 else.

25 Excuse me, Mr. Hollingworth.
26 Mr. Reimer says he will return should that be necessary
27 and I know you won't lightly ask for his recall.

28 MR. HOLLINGWORTH: No, I won't
29 s ir.

30 MR. STEEVES: Could I just ask,

1 as they say, a supplementary question. Sir, you mentioned
2 land claims as an item falling within the apparent
3 relevancy subjects. I understood your previous rulings
4 to be that you make up your own mind about that subject.
5 You'll listen to what anybody has to say but that subject
6 falls outside the clearly relevant items.

7 THE COMMISSIONER: Well--

8 MR. STEEVES: I mean, I have
9 something to say about land claims in argument in
10 accordance with your ruling, but if I have to debate
11 with these gentlemen about their position on land
12 claims, I'm quite prepared to do so. But I don't want
13 to waste the time of this Inquiry.

14 THE COMMISSIONER: Well, I
15 think that these gentlemen have in a sense put the
16 weight of the Canadian Labour Congress behind a certain
17 point of view expressed by the native organizations.
18 That, I think is the essential thing they have done
19 and then they have gone on to discuss the future of
20 labour relations legislation in the North, and I think
21 those are the two main things they said in their brief
22 and while their views of labour relations are, of course,
23 carry a good deal of weight, their views on the other
24 matters in which they essentially support the native
25 organizations are perhaps not to be given the same
26 weight because we've studied those questions for a
27 year and a half now and we think we know a little bit
28 about them, notwithstanding that we appreciate the
29 contribution you've made.

30 On the labour relations matters

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1 that were referred to, so far as they apply to the
2 pipeline project and the energy corridor, these gentlemen,
3 that's their business, labour relations, and--

4 MR. STEEVES: Oh, I'm not
5 quarreling with what they have to say, with their
6 right to say what they say about labour relations. I'm
7 concerned about the land claims question.

8 MR. BAYLY: Mr. Commissioner,
9 as I recall, you've invited the native groups in
10 particular to bring evidence on the land claim before
11 you. I assume from that that it is at least relevant
12 enough to call and if that issue was in debate, I'd
13 like to know before I finish the preparation of the
14 evidence I intend to call on that. I had assumed
15 that since you were inviting it, that you took it for
16 granted that it had enough relevance to be heard.

17 THE COMMISSIONER: I said on
18 July 12, 1974 that I was going to consider the principle
19 contention of your clients which is that there should
20 be no pipeline until land claims are settled. I said
21 then that in order to comprehend that argument we
22 had to know what land claims was and we have spent a
23 year and a half hearing from any number of people, most
24 of them native people, some of them white people and
25 some of them in Southern Canada telling us what they
26 understand would be an appropriate settlement of land
27 claims to be achieved before a certificate of public
28 convenience and necessity or a right-of-way were granted
29 to Arctic Gas or anybody else.

30 Now, if you don't know where

1 you stand now, and this applies to Mr. Steeves and you,
2 Mr. Bayly, I don't think there's much more I can say.

3 MR. BAYLY: That's where I
4 thought I stood, Mr. Commissioner, I stand pat.

5 MR. GOUDGE: In the ordinary
6 course of the order, sir, Mrs. MacQuarrie is not here.
7 I take it Mr. Bayly would be next.

8 MR. BAYLY: Yes, unless Mr.
9 Steeves had some questions on land claims that he wanted
10 to put to this panel.

11 MR. GOUDGE: Mr. Steeves
12 seems to have no questions on land claims, I take that
13 would--

14 MR. STEEVES: I'm sorry. I'll
15 have some questions. I may have questions on land
16 claims later. I don't have many at the moment. I'm
17 in the same position as Mr. Hollingworth.

18 MR. GOUDGE: I can't hear you
19 Mr. Steeves. I'm sorry.

20 MR. STEEVES: I said I may have
21 some questions on land claims later. I have no questions
22 of this panel on that issue today. Have I been heard?

23 MR. GOUDGE: Mr. Sigler?

24 MR. SIGLER: I have no
25 questions on any subject today.

26 MR. GOUDGE: I have one or
27 two questions.

28 MR. BAYLY: I have a couple
29 of questions, Mr. Commissioner.

30 MR. GOUDGE: I'm sorry, Mr.

Cross-Exam by Bayly

1 Bayly. Go ahead.

2 THE COMMISSIONER: All right.

3 Let's settle down then and Mr. Bayly can carry on.

4 CROSS-EXAMINATION BY MR. BAYLY:

5 Q Mr. Reimer, when you were
6 giving your evidence at page nine, you expressed
7 concern that there would be instabilities occurring
8 throughout the whole of the northern economy and in
9 the preamble to your evidence which is in the first
10 paragraph; in the preamble to your evidence, you told
11 us that the Canadian Labour Congress had been working
12 on an energy policy.

13 Now, you suggest that the
14 Federal Government should come up with appropriate
15 economic policies in order to mitigate some of the
16 instabilities that will occur in the northern economy.
17 Does the work you have been doing on the energy policy
18 include any suggestions as to what would be appropriate
19 economic policies for the Federal Government to follow
20 to avoid some of these instabilities or to minimize
21 them?

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Cross-Exam by Bayly

1 WITNESS REIMER: Okay. I think we
2 indicated that amongst other things there's the timing
3 of the project and other projects.

4 Q That occurs to the
5 national economy, I take it?

6 A Well, I think it's
7 also in reverse. Supposing it is considered that this
8 is a national priority, then I think that some of the
9 others may very well have to be delayed but you have
10 projects like James Bay, Syncrude, possibly other tar
11 sands development, there's a ethylene pipeline to
12 be built all across Canada. There's a multi-billion
13 dollar petrochemical operations to be built in Alberta,
14 there's fantastic developments in Sarnia. Some sense
15 of timing has to be exercised in addition to, of course,
16 there's also such things as subsidization of taxation,
17 housing subsidies and maybe even price controls.

18 Q But, now would that
19 be -- would that be within the north or --

20 A Well, possibly.

21 Q All right. Now, is
22 that -- you've told us some of the projects that
23 may be going on at the same time as the proposed
24 Mackenzie Valley Gas Pipeline, are you proposing that
25 the Mackenzie Valley Gas Pipeline wait for some of
26 these other projects that are already underway such
27 as the Syncrude project, would that be a recommendation
28 of your organization.

29 A If need be, yes.

30 Q If need be. How do we
establish ---

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Cross-Exam by Bayly

A Well,

our position with respect to whether -- the final position as to whether or not a pipeline indeed should be built or whether it really has a national priority will be argued before the National Energy Board and we have an intervener status at that particular level. At the moment we are saying that the evidence is far from clear. For example, that is a National Energy Committee, we've have experts in coal, for example, appear before us. Now, we're not experts in coal but we have met with leading coal experts in Canada who have said to us that coal gasification can be delivered to the -- at a buck and a quarter, a buck and a half, a thousand cubic feet.

These types of alternatives, in our mind have not been satisfactorily answered and I think people shake their head and say it can't be done except that we went to Germany, for example, and we found there that the gas in -- out of Holland in the north is running out and they're shutting down their coal development and building nuclear energy and they're going to use their coal deposits north of Bonn, totally for gasification. We were told by the petroleum industry in particular that these were possibilities but there wasn't enough lead time, that was two years ago.. At that time they said the lead time may have to be five years. Well, now we've come here and yesterday, hearing from the evidence we find that it might be five years anyway. There just isn't a national energy policy in Canada and so that all these

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alternatives would have to be explored.

Q I don't want to get Mr. Sigler upset and get into the national issues, I want to, if possible concentrate on those instabilities which will occur throughout the whole of the northern economy and what appropriate economic policies the federal government should put into effect in the north, where the project will take place in order to avoid or mitigate some of these problems. Now, you've told me about some of the national priorities and I can appreciate that and that you will be giving that evidence before the Energy Board.

A M-hm.

Q Now, first of all, maybe you can let us know what sort of instabilities you would be particularly concerned about and then what your policy suggestions would be.

THE COMMISSIONER: This is assuming -- let me just add this to Mr. Bayly's question. Assuming that the national -- assuming that the government of Canada were to decide that the Mackenzie Valley Gas Pipeline should be built and its construction were to commence, say, next year, given that hypothesis and assuming they had sorted out all their other priorities.

WITNESS NOUSIAINEN: Well, I think this particular look here tells us about, you know, high prices, high wages in the event that a pipeline is to be built and various, you know, other problems that may possibly occur. What they can specifically do about it, I guess we're not in any really, you know, heavy sort of decision

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1 to be, you know, recommending any, you know, set of,
2 you know, comprehensive proposals at this point. We
3 would say, however, that, you know, they should consider
4 giving some thought to, I don't know, funnelling money
5 out of the north somehow. Perhaps, you know, instead
6 of wages flowing into northern economy perhaps those
7 wages should be deposited in southern banks. That will,
8 I think, you know, help in a sense that various inflationary
9 tendencies will be reduced.

10 Q Can I stop you there
11 because I'd like to understand this, would you then
12 recommend that people who came from the south to work
13 on the pipeline and related projects be somehow limited
14 in their spending in the north and that their salaries
15 and if they have a company, the company income be
16 spent or saved in the south?

17 A Yes, it's a possible
18 answer, yes, there are many ways of doing this kind of
19 thing, there are many potential solutions to the problem.

20 Q All right, well --

21 A The fact is, if you leave
22 the whole thing go, if you let it go, as is, without
23 any intervention by government, you are going to suffer
24 consequences which are going to be worse and if you
25 thought carefully about what to do about wages, high
26 wages, high prices, incentive for capital to flow into
27 other kinds of interests and service industries that are
28 here for instance, the fact is you're not powerless,
29 you can actually do something about this kind of thing
30 and the role that the federal government plays in terms

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1 of overall economic planning will be actually crucial.
2 They may let the whole thing just go, and just sort
3 of say, well, it's a free market economy, you know and
4 we can't intervene in this kind of thing.

5 On the other hand, they may
6 decide that, yes, we must intervene for the good of
7 the north, for the good of the northern economy and we
8 will do, you know, set up a number of
9 things.

10 Q I can appreciate, Mr.
11 Nousiainen that they may do a number of things, what
12 I want to know is if the Canadian Labour Congress has
13 put its mind to what things they would recommend
14 to the federal government should be done, because
15 afterall, you're in the business of thinking about
16 these things and making recommendations that may or
17 may not be followed.

18 A Note specifically, in
19 a sense it's a technical problem. We have not, as
20 we say in our brief, we are not in a position at this
21 point to offer/^adetailed economic programme for the
22 north, you know, during the construction phase. The
23 fact is we do note that something can be done to
24 reduce instabilities, but we have not, certainly not
25 figured out exactly how you're going to funnel wages,
26 say, out of the north, if you want to do that in the
27 first place, that's a very, very/^{sort of}serious and technical
28 and complex undertaking and we have not, you know,
29 developed a decision on this point at all.
30

Mitchell, Reimer, Nousiainen
Cross-Exam by Bayly

1 Q Well --

2 A Nevertheless the intent
3 is there that they should.

4 WITNESS REIMER: The main
5 thrust of our argument of course is in sorting out
6 the priorities in ^{our} country and I think that has the
7 greatest effect both in capital and in --

8 Q But may I suggest that
9 what you're telling me is you don't want a part
10 in that. You want the Federal Government to do that.

11 A We'll bargain it if we
12 have to, yes.

13 WITNESS NOUSIAINEN: We could
14 make an input. We would have to go to another inquiry
15 from here and talk to the guys in the Finance Department
16 in Ottawa, I guess, and say, "Look, how are you going
17 to tune this thing?" But that's going to take a lot
18 of work. But somebody here at this Inquiry should be
19 saying "Hey look it, you federal guys, you're going
20 to bugger up the northern economy, pardon the
21 expression, unless you do something serious about
22 planning." And we'll be happy to make a presentation
23 to the Department of Finance or whatever it is that's
24 responsible for overall economic policy in this
25 country. But we'd have to give it another go.

26 Q So you're willing but
27 not able at this time to do so? Let me turn to another
28 subject then.

29 On page 18 you mentioned
30 northerners in the second paragraph and I'm wondering --

Mitchell, Reimer, Nousiainen
Cross-Exam by Bayly

1 you've heard the evidence of the other, the previous
2 two panels. Do you have a definition of northerner
3 that you would recommend to this Commission be applied?

4 A Could I ask a question,
5 why does it matter so much?

6 WITNESS REIMER: What section
7 of 18?

8 Q You are talking on page
9 18, you say, "taking this argument a step further
10 it seems self-evident to us at **least** that any group
11 of people such as many northerners who do not possess
12 a great deal of experience must have protection of
13 an extraordinary kind.

14 THE COMMISSIONER: Excuse me,
15 Mr. --

16 MR. BAYLY:

17 Q Who are we talking about?

18 A The people who are here
19 now.

20 Q All right. Now, are we
21 talking about people who have just arrived from the
22 south? Are we talking about people who have been here
23 for five years? Are we talking about native people?

24 WITNESS NOUSIAINEN: Could I
25 ask a question from you? I have heard this question
26 earlier in a proceedings. Everybody wants to define
27 what a northern person. Now, could you give -- could
28 you outline to me why this question is so important?
29 You know, what's the, you know the intellectual, the
30 analysis that leads you to ask that particular question?
Could you just sort of extemporaneously lead us along

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Cross-Exam by Bayly

1 the way and tell us, so at least we know what you are
2 talking about.

3 THE COMMISSIONER: Let's put
4 it this way. That problem arose because we had a number
5 of witnesses from Alaska who said that 80,000 people
6 came from the lower 48 to Alaska, far more than they
7 ever thought would come. Many of them didn't have
8 jobs or any realistic prospect of jobs. They simply
9 became a social problem once they got there and they
10 urged us here. They said "make it clear all over
11 Canada and the United States that no one who isn't a
12 bona fide northern resident can get a job, so there's
13 no point in coming. Stay home." In fact one sociologist
14 who spoke for Foothills Pipe Lines said there should be
15 an electrified fence at the 60th parallel to keep the
16 people out. I'm not really overstating the proposition.
17 Now, that's the reason that it's got into the thick of
18 our proceedings here.

19 The native organizations
20 themselves have indicated that they feel for purposes
21 of voting here in the north assuming a land claim
22 settlement led to a political structure of a different
23 kind than that that you have now that only persons with
24 a real commitment to the north should be allowed to
25 vote along with the natives who live here and they have
26 urged that for instance a ten year residency requirement
27 ought to be insisted upon so from those two points of
28 view, political development as the native organizations
29 conceive it and the reduction of social and economic
30 impact from a vast influx of white people from

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Cross-Exam by Bayly

1 southern Canada and the U.S. in the event a pipeline
2 is built, the definitions arose.

3 Now, I -- you heard a
4 pretty broad range of definitions yesterday. You can
5 stop anybody on the streets of Yellowknife or Ottawa
6 and I'm sure they will all have an opinion but there
7 it is. Isn't that why we got into it all.

8 MR. BAYLY: I could come up
9 with a couple of other reasons.

10 THE COMMISSIONER: Go ahead
11 then.

12 MR. BAYLY: One of those being
13 that in the guidelines they talked about preferential
14 hiring for northern people and they don't define what
15 a northern person is.

16 THE COMMISSIONER: That's
17 a good one. What's the other one?

18 MR. BAYLY: I think
19 that's enough for this afternoon, sir.

20 WITNESS REIMER: In our
21 considerations, in answer to your question, in our
22 considerations of this matter, we didn't come up with
23 any clear definition at the time but in all our
24 discussions and deliberations it was obvious that we
25 meant those people who had a commitment to the north.

26 We didn't expect the
27 person who is coming in looking for a job or who
28 arrived yesterday or something like that to be included
29 in our definition.

30 Q All right, and I gather

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Cross-Exam by Bayly

1 you have the same interests of the individual unions
2 that make up the Congress. Part of it is for the
3 interest you have in people who are in the north and
4 part of it is to avoid the problem of boomers coming
5 in establishing quick northern residence and taking
6 jobs that might otherwise go to people in the halls.

7 A That's right.

8 Q And are you working
9 towards a recommendation that will be made either
10 through this Commission or the National Energy Board
11 of what that residency requirement might be to establish
12 whether a person is a northerner or not.

13 A As a chairman of the
14 committee, I'll certainly place it on the agenda of
15 our committee in my representation that I'm going
16 to make.

17 Q Now, turning to page 20.
18 You have suggested in your brief that there be special
19 labour legislation for the north to give people of the
20 north an apriori right to legitimate trade union
21 representation without their having to demonstrate
22 that they want unionization through the normal
23 process of certification. In other words, the legislation
24 would declare everybody in the north to be a
25 certified union member. Is that what you're suggesting?

26 A Yes, they would have
27 collective bargaining rights.

28 THE COMMISSIONER: Yes, but
29 how would you -- I noticed that. How would you enable
30 them to choose the bargaining agent.

Mitchell, Reimer, Nousiainen
Cross-Exam by Bayly

1 A That was -- well, this
2 is the same -- this isn't unique really in any
3 respect. May I just, if I might back up a little bit
4 in terms of industrial relations.

5 We think that the
6 lowest counterproductive process that we have in
7 Canada in terms of labour relations is the certification
8 procedure.

9 We have situations --
10 I know of cases where we have made applications seven
11 times where employees have indeed voted by majority
12 /government to join and voted under 'supervised vote, to join, to
13 have collective bargaining rights. Matters get held
14 up in the Courts and to this day and after about 15
15 years these people just simply haven't got any bargaining
16 rights by the union they have chosen.

17 In many countries, like
18 for example in again in the postwar years in Germany
19 there's a great deal of talk today about the great
20 number of disruptions we have in labour relations. They
21 said we're not going to go through this process any
22 more of having a fight between employers and employees
23 whether or not unions are going to exist. By rights
24 all these people working in these plants will have
25 bargaining rights.

26 If they have the bargaining
27 rights, all that's left to them as their right is to
28 choose the union that they want. That's all. If they
29 don't want a union then of course then they would
30 petition to not to have to avail themselves of the right.

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Cross-Exam by Bayly

MR. BAYLY: Does that mean

that one would be certified unless --

WITNESS NOUSIAINEN: Unless
you said no.

Q Unless you said no.

WITNESS REIMER: That's right.

Q All right. Now, one of
the concerns that's been expressed by people in the
north and particularly native peoples is that these
decisions are made for them that in many ways they
are certified from Ottawa and other places without
their having any say in it. This at least, on the
surface has the appearance of doing a similar thing
to people.

A I hope not. I hope not.
That wouldn't be the case. The choice would be to the
employees who are employed by that employer.

Q How does this do
something that is not covered by the unions which have
appeared on the previous two panels who will represent
those trades that will be involved in pipeline
construction?

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Nousiainen
Cross-Exam by Bayly

1 A I suppose our thrust
2 is, in the main, in the post-construction era, in other
3 words, the development that takes place afterwards, or
4 for example, the pipeline itself or the gas plant that
5 might be built.

6 Q Would this cover Hudson's
7 Bay clerks, legal secretaries, bookkeepers, waitresses.

8 A It'll cover everybody,
9 yes. And in an industrialized society, I think the
10 choice is clearly up to the northerners, we think it
11 should be left to them, whether they want a wage economy
12 or not. Maybe they want it, maybe they don't, but if
13 there is a decision to make a wage economy I think that
14 we are asking native people, for example to deal with
15 the most sophisticated, technologically advanced industry
16 in the world in one step.

17 Now, we are throwing this out as a
18 suggestion, the normal procedures of collective bargaining
19 in the south, I believe, where people are just waffled
20 in to the system on a one to one relationship without
21 the normal rights down here, I can't see where the
22 workers in the north, after the post construction
23 era would have great success in forming unions.

24 Q How would this, in your
25 opinion effect those businesses that may hire one or two
26 employees in smaller settlements to do everything from
27 driving trucks to taking out the garbage?

28 WITNESS MITCHELL: Well;
29 those boys would have a right to organization. They
30 could have it, it would protect them.

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Nousiainen
Cross-Exam by Bayly

1 WITNESS NOUSIAINEN: They
2 have a right to have it.

3 WITNESS MITCHELL: Yes, those
4 employees should have the right to union representation.

5 Q So would that protect
6 them from taking out the garbage or would that protect
7 them from driving a truck --

8 A It will give the guy
9 rights -- give them the right to collective bargaining.
10 That's what we're talking about. They'll still take out
11 the garbage but they'll be able to sit down with the
12 employer and discuss how he's going to take out the
13 garbage.

14 Q I see, and you're suggesting
15 that even in an operation which has one or two employees
16 that this is something that can't be worked out at the
17 moment in any other fashion?

18 A M-hm, that's right.

19 Q I take it you say that
20 conscious of the fact that in some settlements every-
21 body may, in one way or another, be related by blood
22 to each other and live, not at arms length, as we may
23 be used to in southern society?

24 A Yes, I think they would
25 still want that right to collective bargaining.

26 Q And you've studied
27 the way things work in smaller native settlements and
28 you're satisfied that this is the answer to the labour
29 problems in those settlements, am I correct?

30 WITNESS NOUSIAINEN: I

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1 don't think we're trying to impose --

2 Q I'm just asking you,
3 I'm not trying to suggest that this is necessarily a
4 bad thing, I just want to explore it because I don't --

5 A Yes, right, well, as
6 we say in our brief we'd be happy to talk about any
7 of this to anybody. We feel that we have a good approach
8 to worker - employer relations gained through hard
9 experience over the years, but we also recognize that
10 the social, cultural environment in the north is special,
11 it's different and very unique and the kind of practices
12 that we advocate, as we again say in the brief, in the
13 southern industrialized environment may not totally
14 apply and let's -- yes, let's thing about it. Let's
15 see if it -- you know, what is the effect upon a
16 business where the employees are related to the owners
17 of that particular enterprise. It's possible that's
18 a problem. However, it's going to require a great
19 deal of thought and certainly, as we say again, we
20 /would be happy
21 to think about it and take a look at it. We can offer
22 our view of good industrial relations to anybody who
23 wants to take it, but of course, you know, special
24 circumstances may in some sense change the general
25 thrust of our recommendations , it's totally open.

26 WITNESS REIMER: Let me point out
27 the general thrust of our argument here. With due
28 respect to the industry, which I've associated with 40
29 years, in it as a trade unionist, we'll be coming here.
30 The record is, without a question in opposition to
organization of their workers.

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1
2 MR. STEEVES: Excuse me, I
3 can't hear you.

4 A The record of
5 the petroleum industry has been in opposition to the
6 organization of workers who come into the framework
7 of the Canadian Labour Congress.

8 In 30 years, we started from
9 scratch, it was no membership at all, in our union,
10 there is no exception of any members we have presently
11 in the O.C.A.W.

12 The history of the Joint
13 Council, if I might point out to you, has been years
14 ago, and the manner in which it works, to show you
15 that really under those circumstances that the workers
16 have very little say, is that there are a number of
17 elected representatives, these elected representatives
18 are chosen by the work force. There are an equal
19 number of selected representatives who are chosen by
20 the plant manager and the Chairman of that group is
21 the plant manager. To make a decision there has to
22 be a two thirds vote of that group, nothing is referred
23 to the worker body for ratification or rejection. That's
24 a practice that the largest petroleum company in Canada
25 advocates and will be present here.

26 Under those few circumstances
27 and sophistication these people have we've learned
28 possibly how to counteract it in the south to a certain
29 extent, well as we say, successfully.

30 There will be, in our view,
it will be very difficult to establish legitimate trade

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1 union operations following the construction period.

2 We've seen, in many areas in
3 Canada where there's been an advanced guard in particular
4 like in the province of Alberta we can name you legal
5 firms you have constitutions ready for independence,
6 people who are in new plants who are later on to become
7 supervisors come in as hourly pay and maybe half a
8 dozen sign a collective agreement, maybe it's illegal,
9 but if we have to go before a Labour Relations Board
10 we have to provide evidence with people who are not
11 willing to testify.

12 THE COMMISSIONER: Well, you
13 say that they encourage company unions, that's --

14 A That's right, that's
15 right. They do not encourage a labour body affiliated
16 with a legitimate trade union movement as we see it.
17 and have resisted it.

18 Now, they look upon that as
19 competition with us, there has been some modification
20 in some companies, but by and large that's been the
21 thrust. With that record, we feel that some special
22 protection for the ability to organize into a free and
23 -- into the free trade union movement as we see it must
24 exist in the Labour Act. This may not be the answer,
25 but we felt it was one approach that ought to be
26 explored.

27 MR. BAYLY: And can you tell
28 me, just before I leave this subject, is it an approach
29 that has been tried in any other part of Canada or
30 the United States?

1 A No.

2 Q So this would be a new
3 experiment.

4 A That's right.

5 THE COMMISSIONER: Did you
6 say it had been tried in Germany earlier?

7 A In Germany, the legis-
8 lation has been that the workers have binding rights
9 in the post-construction era. There is a blanket
10 legislation stating that there is -- the workers in
11 the plant have bargaining rights and then they go out
12 and choose a union later on. Mind you, they go much
13 further down there, the legislation, I think is not
14 only being contemplated by the government that the
15 workers are 50 percent of the people on the Board
16 of Directors. We're not going quite that far here
17 yet, but there is -- that's to be on the -- and Sweden
18 of course, that is part of the process that's taken
19 place. In other words, direct the worker involved.

20 THE COMMISSIONER: In Sweden
21 they have an established church and when you are born
22 you are deemed to be a member of the Lutheran Church
23 unless you write them a letter when you're 21 and say
24 I want out.

25 A M-hm.

26 Q Well, you're really
27 urging a similar system regarding people being
28 deemed to be entitled to collective bargaining rights
29 whether they have sought them or not when they enter
30 the employ of any company in the north.

1 WITNESS REIMER: And certainly they have
2 the right to opt out of it if they like.

3 WITNESS NOUSIAINEN: Yes,
4 certainly in an industrialized society that's not
5 asking for too much.

6 MR. STEEVES: Are we talking
7 about O.B.U. isn't that what you're talking about?

8 WITNESS REIMER: Oh no we're
9 not.

10 WITNESS NOUSIAINEN: O.B.U.?

11 MR. STEEVES: Yes.

12 A Are we talking about
13 the one big union?

14 MR. STEEVES: Yes, when you're
15 talking about every worker having, by legisla --
16 tion, those rights, the bargaining rights, what do you
17 do? Do you assign jurisdictions amongst the existing
18 people?

19 WITNESS MITCHELL: The people
20 would choose which union they want to represent, ^{them} but
21 they have the right of collective bargaining by legis-
22 lation, this is what we're saying.

23 MR. STEEVES: Well, that's
24 meaningless, that's meaningless.

25 A Under our present system
26 people -- there's all kinds of frustrations and attempts
27 to block organization and to defeat that, what's
28 supposedly a basic right of collective bargaining and
29 freedom of association in this country I suggest it
30 doesn't exist and we want that guaranteed to the people

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1 in the north.

2 MR. STEEVES: I'm not
3 quarrelling with that at the moment, I'm interested in
4 what you've said and I'm trying to think through how
5 it would work out. The the workers' got bargaining
6 rights guaranteed by legislation, now where does he
7 go from there?

1 A If they want a particular
2 union to represent them they invite them.

3 Q Which unions the affiliate
4 or the CLC only?

5 WITNESS REIMER: Well, we would
6 hope so but that's not necessarily the case. They could
7 have the Teamsters who are not members of the CLC and
8 possibly other unions.

9 Q Right.

10 A The choice
11 would be theirs.

12 Q You don't see
13 this leading to an OBU situation?

14 A Well, the
15 OBU--

16 Q I'm using that
17 as an example, not the history of the OBU but the idea .

18 A No, I don't
19 think so.

20 Q All right.

21 A I see your
22 point.

23 Q You probably
24 see it much more clearly than I have but that's the
25 way I see it and I accept your statement that it won't.

26 A We don't
27 think so.

28 Q Okay.

29 A Mind you, let
30 me say this though, as a comment on the side, that we

1 can do maybe with more mergers in the labour movement
2 as it is. I think 120 affiliates of the Congress might be in
3 more jurisdictional disputes than they need.

4 MR. STEEVES: In unity there
5 is strength.

6 MR. HOLLINGWORTH: Make it
7 multinational.

8 MR. STEEVES: I beg your
9 pardon, Mr. Bayly, I didn't mean to--no, I did mean to
10 and I apologize for it. I'm sorry.

11 MR. BAYLY: Mr. Commissioner,
12 the last area that I had was with regard to the letter
13 that was sent by COPE to the Canadian Labour Congress
14 and it might be appropriate just to break for coffee
15 and ask these gentlemen to consider if they have anything
16 to add to what they have heard the other panels say
17 in response to the concerns raised in that letter.

18 THE COMMISSIONER: Do you
19 follow that, Mr. Reimer and Mr.--

20 MR. BAYLY: I can supply
21 copies.

22 WITNESS REIMER: Yes, you're
23 talking about the letter to Mr.--

24 MR. BAYLY: This is the letter
25 that was sent to Mr. Morris, Senator Lawson and a
26 number of others.

27 A Mr. Raddi?

28 Q Yes.

29 A I wrote--I think on one
30 or two occasions Mr. Raddi asked me for and a meeting

1 with him and--

2 Q Yes, I think you asked
3 him when he would be in Toronto next.

4 A I think we had something
5 scheduled for Edmonton at the end of May or something
6 like that but the meeting never did come through.

7 Q What I'd like to know, if
8 you're prepared at this time to respond to some of the
9 concerns that were raised in the letter and if you have
10 any additions to what the members of the previous two
11 panels have said--

12 A Most of the questions
13 relate to the construction--

14 Q That's correct.

15 A --phase of it and we
16 pretty well left our representations to the building
17 trades on that matter and we really haven't got much
18 data on that.

19 THE COMMISSIONER: Mr. Reimer,
20 just going back to this labour relations aspect of your
21 brief; the pipeline guidelines contemplate that the
22 construction of the pipeline will be unionized and
23 Arctic Gas and Foothills both accept that. Your concern
24 is, without our going beyond the terms of reference of
25 the Inquiry, your concern is about the question whether
26 the people who work in the operation and maintenance
27 of the pipeline and in the gas plants in the Delta and
28 beyond that in the rigs and the camps in the Delta
29 and the Beaufort Sea, should this whole program go
30 ahead, whether they will be unionized and the companies

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1 have made it clear to us back when they appeared, that
2 they're opposed to unionization of the people who work
3 on the exploration or development rigs, are opposed to
4 unionization of the people in the gas plants and I think
5 that the two companies, Arctic Gas and Foothills, haven't
6 expressed a view about unionization of the people who
7 maintain and operate the pipeline, work at the compressor
8 stations and so on.

9 At any rate, you're asking the
10 inquiry to consider recommending that the established
11 right to collective bargaining that would be deemed
12 to belong to workers working in the petroleum industry
13 or in the pipeline industry in the North should be
14 written into the legislation. That's essentially the
15 point of view you've taken there. I gather from
16 everything you've said and the industry people have
17 said that there are many gas plants and pipeline
18 operations in Southern Canada that are not organized.

19 A Well, we have most of
20 the large gas plants organized. We have a lot of them
21 that aren't organized, a lot of pipelines that aren't
22 and, of course, TransCanada Pipeline, there's been a
23 number of attempts and a number of requests by employees
24 but there's always been very serious resistance to that
25 approach.

26 Now, I have discussed this
27 with Mr. Wilder and Mr. Wirth is it, from Arctic Gas
28 and we've laid it right on the line with them. I
29 don't presume to speak for them but I'll tell you what
30 they told us.

1 THE COMMISSIONER: Sure.

2 A They felt that possibly,
3 how would you put it, a change of attitude was overdue
4 or something to that effect. Now, we haven't had the
5 same difficulty in Utilities over the years as what
6 we had in these specific areas. I mean this is a
7 fundamental beginning of any labour relations. I've
8 had so many employers, after we've had certification
9 come to me, and they say we want good relations.

10 I always tell them that you'll
11 have no difficulty convincing me. It is the people
12 inside that plant that you may have great difficulty
13 in convincing, that it took them six years of effort
14 or something to organize into a union under threats
15 that pension plans will be removed and benefits will
16 be held up, wages or discharges, the general atmosphere
17 of fear. It's become a very traumatic experience in
18 life. That then starts the beginning and the basis
19 of the labour relations which takes years to overcome.

20 We're saying let's not start
21 that hassle here in the North. We can get along and
22 the industry can get along, the petroleum industry.
23 Wherever we are organized, we do, as well as I suppose
24 anyone else, but it takes a lot of time and effort and
25 there are many enlightened people in the industry that
26 today I think might agree with my posture today wouldn't
27 ten years ago. But that, nevertheless is the history
28 and it doesn't vary really from many parts of the world.

29 THE COMMISSIONER: Right.

30 MR. BAYLY: Those are all the

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1 questions I have of this panel, thank you very much.

2 THE COMMISSIONER: Mr. Goudge?

3 RE-DIRECT EXAMINATION BY MR. GOUDGE:

4 MR. GOUDGE: Mr. Reimer, just
5 so I'll understand your answer to the Commissioner
6 concerning existing organizations, am I correct that
7 you have under organization and contract the larger
8 gas plants in Alberta but a number of smaller ones are
9 unorganized. Is that what you said?

10 A Well, we have a number--
11 the larger ones are organized, yes, because I suppose
12 it's been an organizational approach that we've had,
13 because you can't do very much with the small ones unless
14 you've got the bigger ones. But the vast majority then
15 in terms of number aren't.

16 We have, for example, a plant
17 at Fox Creek, the one at Empress, the one at Pincher
18 Creek. The larger ones are by and large with us.

19 Q None of the transmission
20 systems, none of the pipeline transmission companies
21 are organized?

22 A We have the Montana
23 Transmission System and that's it.

24 THE COMMISSIONER: We have
25 the what?

26 A Montana.

27 MR. GOUDGE: Is that in Canada?

28 A Canada feeds the gas into
29 the Montana Gas System in the United States.

30 THE COMMISSIONER: But you don't

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1 have A.G.T.L., Westcoast and TransCanada Pipelines,
2 are not organized?

3 A That's right.

4 MR. GOUDGE: And can I presume
5 to ask you to interpret Mr. Horte and Mr. Wilder. What
6 did you take from their communicating to you that a
7 change was in order?

8 A Well, Mr. Goudge, I
9 would really prefer that you ask him, I suppose, but
10 we took in a meeting at the Edmonton Plaza with a
11 number of people. Mr. Wilder, he was really serious
12 about--really to this extent that he suggested that--
13 I think Mr. Wirth is a Vice-President, that we get
14 together and indeed make joint recommendations on this
15 matter.

16 Now, to make joint recommendations
17 on this matter, I wouldn't take it that the President
18 of the company, knowing that I'm from the labour
19 movement and Chairman of the Energy Committee would in
20 any way agree that there would be no union or that there
21 would be restrictive labour legislation. So, I
22 interpreted his comments to us as being something that
23 possibly, yes, that the people in the North would require
24 some special considerations because he agreed with our
25 contention that they are a very sophisticated industry.
26 To ask native people, for example, which are people
27 who live by the land to come and identify with the most
28 technologically advanced industry would be a fantastic
29 step for them to take and some special consideration and
30 legislation may be in order. That's what we took from

1 him. You were there.

2 Q Now, as to the scheme
3 you've proposed for labour legislation in the North,
4 let me ask you whether you think there is any inherent
5 danger for the labour movement with that kind of
6 legislation in that it creates or may create
7 representation situations where the representing union
8 has built no foundation of support.

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Re-Examination

1 I sit on the Advisory Committee to the programme, along
2 with representatives from Canada Manpower, from industry
3 and some people from the provincial Department of
4 Labour.

5 Q Is Keyano College in
6 the programme that we heard about this morning a
7 programme of Native Outreach?

8 A No, that is looked after
9 by the provincial government, however the Outreach
10 Programme is active in placing people into the Keyano
11 programme for the training and subsequently placement
12 on the job.

13 MR. GOUDGE: Those are all the
14 questions I have sir, thank you gentlemen.

15 THE COMMISSIONER: Well,
16 thank you very much Mr. Reimer and Mr. Mitchell and
17 Mr. Nousiainen, we appreciate your taking the trouble
18 to come and share your views with us and we have been
19 at this for 18 months now, at these hearings and
20 sometimes our happy family goes through a patch of
21 irritation, but we know that that happens even in
22 the circles in which you move and so you'll understand.

23 Your brief is one we find interesting
24 and helpful and let me thank you again for it and should
25 it be necessary, we may have to ask you to come again
26 sometime in the next few weeks and help us out. I
27 think that's unlikely but it may be so you hear from
28 us you'll know why. So, thank you again.

29 WITNESS REIMER: Thank you.

30 (WITNESSES ASIDE)

1 THE COMMISSIONER: I think
2 we'll adjourn for coffee now.

3 (PROCEEDINGS ADJOURNED FOR A FEW MINUTES)
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1 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

2 THE COMMISSIONER: Okay, let's
3 begin again shall we ladies and gentlemen.
4

5 EDWARD McRAE,

6 JAMES BRECKENRIDGE, sworn:

7 DIRECT EXAMINATION BY MR. GOUDGE:

8 Q Yes, sir, the last
9 panel for today has been sworn in and they represent
10 the Northwest Territories Labour Coordinating
11 Committee. The two gentlemen before you are on the
12 left Mr. Jim Breckenridge and on the right Mr.
13 Ed McRae. Mr. McRae, perhaps I could begin with you
14 please sir.
15

16 You were born in
17 Inverness, Scotland and took your schooling in Toronto
18 and Portage LaPrairie, Manitoba. Is that so?

19 WITNESS McRAE: That's correct.

20 Q You started to work for
21 International Nickel Co. of Canada at Thompson, Manitoba
22 in July of '64 and you have served in Thompson on the
23 planning committee and as a government appointment to
24 the Burntwood Housing Authority there. Is that so?

25 A That's correct.

26 Q And you have been active
27 in community affairs of Thompson and thereafter you
28 served two terms as the northern regional vice-president
29 of the Manitoba Federation of Labour. Is that right?

30 A Yes, that's correct.

Breckenridge, McRae
In Chief

1 Q And in May of 1975 you
2 were transferred to Yellowknife as a fulltime union
3 representative for the United Steelworkers of America.
4 Is that correct?

5 A Yes, that's correct.

6 Q And you're now the
7 executive secretary of the Northwest Territories
8 area council of the United Steelworkers of America.
9 And you have recently been elected a director of the
10 N.W.T. Labour Coordinating Committee. Is that so?

11 A Yes, that's correct.

12 Q Mr. Breckenridge, you
13 were born in Edmonton, Alberta and received your
14 education in Lethbridge, Alberta. Is that so?

15 WITNESS BRECKENRIDGE: That's
16 correct.

17 Q You have worked for the
18 government of Canada in meteorological service for
19 ten years and in various northern locations in the
20 Yukon and the N.W.T.

21 A Yes.

22 Q You became regional
23 representative of the Public Service Alliance of
24 Canada in 1975 and you're presently a director of the
25 N.W.T. Labour Coordinating Committee. Is that right?

26 A That's correct.

27 Q And finally you're a
28 member and executive director of the Canadian union of
29 labour employees?

30 A Yes.

Breckenridge, McRae
In Chief

1 Q Now, gentlemen, could
2 you please read your brief to the Commission?

3 A Firstly Mr. Commissioner,
4 we'd like to extend Mr. Fry's apologies for his non-
5 attendance this afternoon. He is committed to meetings
6 with the Territorial Government and we would like to
7 thank you and your Commission for the opportunity of
8 speaking and presenting this brief before this body.

9 Mr. Commissioner,
10 the Northwest Territories Labour Coordinating Committee
11 composed of union members affiliated with the
12 Canadian Labour Congress and representing some 4,000
13 resident workers in the Northwest Territories,
14 appreciates the opportunity of expressing our views
15 before this Inquiry.

16 The Northwest Territories
17 Labour Committee opposes the construction of a
18 Mackenzie Valley Pipeline for the following reasons:
19 1. It is not required at the present time.
20 2. There is **insufficient** evidence that it can be
21 constructed without severe environmental damage.
22 3. It will put an unreasonable strain on the labour
23 markets and social services of the Northwest Territories.
24 4. We see little or no benefit to the residents of the
25 Northwest Territories.

26 However, we realize that
27 your Inquiry does not have the power in its terms of
28 reference to determine whether or not the pipeline
29 should be built. We understand that your Inquiry can
30

Breckenridge, McRae
In Chief

1 only recommend to the Federal Government the terms
2 and conditions which should accompany such a
3 development. We therefore are submitting our views
4 on what we feel some of the conditions surrounding
5 this development should include.

6 At the present time
7 we wish to emphasize four concerns we feel warrant
8 prime consideration:

9 A. Impact on the Labour Market and the Cost of Living

10 In order to maintain a
11 stable workforce in present industrial establishments
12 and/or government agencies, incentives must be created
13 to make such employment as attractive as pipeline
14 employment offers.

15 B. Social Services

16 Any additional social
17 services or facilities and all costs which may or will
18 be incurred must be absorbed by the pipeline consortium
19 to ensure that the burden of such costs does not fall
20 upon the residents of the Northwest Territories or
21 even the rest of Canada.

22 C. Transportation

23 The development of the
24 pipeline should be used as a vehicle to establish
25 and further expand present transportation systems in
26 the Northwest Territories.

27 D. Labour Legislation

28 Understanding the present
29 legislation of both Territorial and Federal Governments
30 in dealing with labour relations and industrial disputes,

Breckenridge, McRae
In Chief

1 it is imperative that the appropriate authorities
2 will be required to pass enabling legislation so that
3 these problems can be dealt with in a fair and expedient
4 manner.

5 All of this is
6 respectively submitted by the Northwest Territories
7 Labour Coordinating Committee, affiliated with the
8 Canadian Labour Congress on this first of September,
9 1976.

10 MR. GOUDGE: Thank you Mr.
11 Breckenridge.

12 WITNESS McRAE: Just a little
13 further expansion dealing with particular points. The
14 "A" point, the impact on the labour market and the
15 cost of living. We appreciate the fact that the Pipeline
16 Advisory Council; that is, the ones composed of the
17 unions are going to try to establish the best possible
18 arrangements through negotiations that they can for
19 their members.

20 One of the basic problems
21 that we see is that those arrangements will, in all
22 probability be superior to present arrangements that
23 are now established in industrial establishments and
24 government agencies, etc.

25 Being very positive and
26 members of the labour union, we don't think that they
27 should be deterred from or restricted in doing what
28 they can to achieve the best for their members. What
29 we're concerned about is that our members should be
30 brought up as close to those people as possible in

Breckenridge, McRae
In Chief

1 order that the alternative of working on a pipeline
2 becomes less attractive. We're concerned about the
3 disruption in for instance mines that are presently
4 in operation, government services working presently,
5 people that are presently employed -- people in stores
6 and retail outlets, hotels, etc. and we think that
7 some of these incentives that could possibly be
8 used is that either the companies that provide say
9 certain -- for instance certain subsidies to their
10 employees would be granted tax credits or tax exemptions
11 when they declare their profits, etc.

12 Another thing that could
13 be considered is that residents of the Northwest
14 Territories that are employed in an establishment other
15 than a pipeline. For instance, on the basis of
16 income tax could be granted higher exemptions. We note
17 with interest that of all the cost of living surveys
18 and information that has been done on the Northwest
19 Territories the cost of living runs consistently 25
20 to 30% higher than it is in southern Canada. People
21 in the north here that work for either industrial
22 establishments or government agencies have such
23 things as housing subsidies. They have things like
24 fuel allowances and these types of things and
25 that the Federal Government should consider these to
26 be an incentive to work for industry other than the
27 pipeline and that they should take a less affirmative
28 view on whether it's taxable or not.

29 For instance, what we're
30 talking about is untaxed allowances, things along this

Breckenridge, McRae
In Chief

1 nature. We think that the present cost of living
2 is going to expand even greater than the differential
3 we have now due to the fact of higher wages and more
4 money and regretfully we note in the Northwest
5 Territories the same as other people have in the
6 rest of Canada that our present system of wage and
7 price **controls** is not working to the effective part
8 that it should be. It's working great on wages. They
9 are being controlled but it's not working too good
10 on prices and due to the fact **that** the Federal Government
11 has such an input or an impact on the cost of living
12 in dealing with prices in the Northwest Territories,
13 and I can refer to a few examples in the last little
14 while. We deal with the Power Commission that the
15 Federal Government operates ^{is} proposing to increase their
16 rates something like 90%. The landing fees etc. on
17 airports has risen fairly dramatically and it's not
18 actually the same type of situation you have in the
19 south where you have alternative means of transporting
20 from one place to another. The basic means of
21 transporting in the Northwest Territories is by air and
22 we note that prices don't seem to be controlled. Wages
23 have been severely controlled especially if we deal
24 with contracts that have been settled in the Northwest
25 Territories in the last little while. There's been
26 some rollbacks already and we find that in all
27 probability the cost of living skyrockets and the
28 stories I understand that I have heard **and**
29 some magazine articles and some newspaper articles I
30 have read of the situation that happened to the cost

Breckenridge, McRae
In Chief

1 of living in Alaska, I don't envision or I don't really
2 appreciate that I might be paying \$1600 for a one
3 bedroom apartment in the near future when the pipeline
4 comes through so I think that there should be some
5 discussion on ways and means that established industries
6 or employers in the Northwest Territories are going
7 to be able to hold their present workers they have
8 and hopefully will be able to expand their business
9 with the supposed boom that will come and be able to
10 attract more workers than they, you know, they
11 employ.

12 Dealing with social
13 services, we see a real problem with this in this --
14 in a couple of areas especially. One will deal -- one
15 basic problem we see will arise will be the law dealing
16 with the Courts and the policing.

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Breckenridge, McRae
In Chief

1 I haven't really gone into
2 this indepth but I understand that an influx of
3 something around six thousand people will require an
4 additional amount of police force. They will require
5 probably an extra magistrate or judges to deal with the
6 problems that will arise and on this basis, our con-
7 tention that this wouldn't be necessary if the pipeline
8 wasn't going to be built.

9 I understand that the present
10 costs of employing one R. C. M. P. officer is in the
11 area of \$25,000.00 per year. I don't know how many
12 would be required. I don't know how many extra court
13 workers would be required. I don't know how many
14 extra jail cells would be required in the present
15 correctional institute but I think that anybody that
16 thinks that this won't be required is being a little
17 naive.

18 This is going to be an added
19 tax cost or added costs in the Northwest Territories
20 which will be reflected either in property taxes or
21 some type of taxes for the Northwest Territories'
22 residents. We feel that this wouldn't be required if
23 the pipeline wasn't built in the first place.

24 Therefore, the pipeline
25 consortium should be the ones responsible for this
26 cost. Another thing that we see that will put an extra
27 tax on will be the medical facilities. I would suggest
28 to you that our present medical facilities in the
29 Northwest Territories are not the best that are around.
30 We've had occasion in the industry that I represent

1 which is the mining industry where several of our people
2 have been seriously injured enough that only receive
3 a little better than first aid attention here, then
4 they have to be shipped up to Edmonton or other places
5 and I would suggest that medical facilities on the
6 proposed pipeline are going to have--or probably be
7 in that nature where they'll only deal with preliminary
8 stuff and minor stuff and major stuff will either be
9 shipped to places like Hay River, Inuvik, Yellowknife,
10 et cetera. If they can't deal with them, they'll be
11 shipped out to Edmonton.

12 I think there's going to be
13 an extra burden upon the present medical facilities
14 and they're going to expand--probably have to be
15 expanded and improved and we feel that the pipeline
16 consortium should be responsible for the costs that
17 are going to be incurred on that matter. This is not
18 a thing of an unusual nature. I think there's plenty
19 of examples around, especially in resource based
20 communities. I use the mining industry for example;
21 the mining industry finds a certain ore find, they
22 establish a mine there and in conjunction with that mine
23 is usually, out of their terms and conditions, that
24 they have to provide a townsite which includes such
25 things as schools, hospitals, water treatment, sewage,
26 roads, et cetera, and this is based on a basic premise
27 that if the mining company wasn't moving in there,
28 those facilities wouldn't be required.

29 I think this is the same type
30 of situation we have here. If the pipeline wasn't

1 going to be built, we wouldn't require these extra
2 facilities in that short period of time. I'm not
3 saying we wouldn't require those extra facilities over
4 a longer period of time but this would put an extra
5 strain on.

6 Dealing with transportation,
7 we have a transportation system in the Northwest
8 Territories which is probably not the best system around.
9 Anyone who has done any travelling around will realize
10 that. But we do have air connections. We do have a
11 certain amount of road connections and the roads are
12 passable most of the time.

13 WITNESS BRECKENRIDGE: Well,
14 some of the time.

15 WITNESS MCRAE: Well, some of
16 the time, yes, and we have companies that do barging
17 operations. We think that if and when the pipeline
18 is built, that this would probably--should be used as
19 a vehicle to expand and upgrade the present transportation
20 system in the Northwest Territories. That would probably
21 mean better airport facilities at certain areas which
22 don't have facilities now.

23 We would envision that certain
24 materials would be carried in or transported by the
25 present transportation companies presently working at
26 that industry in the Northwest Territories and we would
27 envision that the roads would probably be upgraded and
28 maybe be brought into areas which presently haven't
29 got roads at all or those roads would be upgraded.

30 D deals with the labour

Breckenridge, McRae
In Chief

1 legislation and I note with interest and I wish to say
2 that we support the CLC's position on labour legislation.
3 Anybody who's had to deal with either an industrial
4 dispute or a certification or an unfair labour practice
5 in the Northwest Territories--it's just horrendous.
6 You wouldn't believe the red tape you have to go through.

7 I can give you one example
8 where we applied last July of '75 for a certification
9 for a group of employees that are presently employed
10 on the DFW line and those persons signed cards and
11 paid their two dollar fee that they wanted to join our
12 union and there was one hundred percent sign up of all
13 the employees and it took from July, 1975 till May of
14 1976 to get a hearing before the Canada Labour Relations
15 Board, at which time we had to travel to Ottawa to have
16 a hearing. We were granted a certification and the
17 present certification is now tied up in the courts
18 because the employer has said that the Canada Labour
19 Relations Board has exceeded their jurisdiction.

20 THE COMMISSIONER: How many
21 employees involved?

22 A Forty employees. There's
23 another situation that's been kicking around Yellowknife
24 for some period of time and it involves the City of
25 Yellowknife Municipal Employees. They applied for
26 their certification in January of 1975. They were
27 finally certified approximately October of 1975. That
28 is presently now tied up in the courts. I don't want
29 to put any disrespect to your position but the Federal
30 judge decided that the parliament cannot pass legislation

1 that applies to municipal workers in the Northwest
2 Territories.

3 THE COMMISSIONER: You think
4 he was wrong?

5 A Yes.

6 WITNESS BRECKENRIDGE: An import-
7 ant point, the Chairman of the Canada Labour Relations
8 Board also feels he's wrong and the case is now before
9 the Supreme Court. It doesn't affect the fact that
10 seventy-five people are now in a position of supposed
11 voluntary recognition. We are going to attempt to
12 bargain again this fall.

13 What happens if we reach an
14 impass. Who do we go to for a conciliation? Do they
15 have a legal right to strike? They're in limbo.
16 They're under the guidelines but they're in limbo as
17 far as anything else.

1 WITNESS McRAE: These are
2 just some of the -- your dealing with certification. We
3 can go on and on and talk about unfair labor practices;
4 we can go and talk about the settling of industrial dis-
5 putes and believe it or not it's not that easy to get a
6 Conciliation Officer to travel all the way in from
7 Vancouver or Toronto to come up and mediate a dispute
8 for -- for instance, I can give an example we have a
9 dispute now with a company we deal with which employs
10 a total of 28 people. We have been waiting for a Con-
11 ciliation Officer for a period of seven weeks now, to
12 arrive. Meanwhile the contract is terminated, the
13 employees are left in limbo and we're still waiting to
14 get the Conciliation Officer here to mediate the dispute.

15 THE COMMISSIONER: Part of
16 your problem is as much distance as anything else in
17 that, that is, you're under the jurisdiction of the
18 Canada Labor Relations Board which has some built in
19 problems owing to the distance we are from Ottawa. Isn't
20 that one of your --

21 A That's part of the
22 problem. The other problem we ^{have} got is who deals with
23 what. Certain things -- if certain things can be raised
24 with the Canada Relations Board and you get indication
25 back that that comes under Territorial jurisdiction. So
26 then you go to the Territorial government to raise it
27 with them and they say oh no, that's the Federal juris-
28 diction.

29 You have to remember that,
30 for instance, labor standards seem to be the jurisdiction

Breckenridge, McRae
In Chief

1 of the Territorial government.

2 Q Yes, but nothing can
3 change that in a Federal system such as Canada's. That's
4 a perennial source of conflict. You could be in Regina,
5 Saskatchewan or Calgary, Alberta and you'd still have
6 the same problem arising -- is Federal or is Provincial.

7 A Except that if you would
8 run it -- if you were living in a province you would
9 come under either a provincial labor legislation or
10 the Federal. We have a problem right now we're in a
11 vacuum. We don't -- in certain areas we don't seem to
12 come under the Federal and we don't have any Provincial
13 legislation here. So, in effect we're left in a vacuum
14 and a void and this causes a pretty hard dealing. You
15 know, you can just imagine going to try to organize a
16 group of workers and they say well, what do I have to
17 do to get organized?

18 Well, you explain to him
19 that you have to fill out these cards and pay this two
20 dollar fee to show that you've got good faith. Then
21 they say what happens then. Well then we submit it to
22 the Canada ^{Labour} Relations Board and in about a year we'll get
23 an investigator up here and he'll take a look at it and
24 maybe we'll have a hearing and if it doesn't get tied
25 up in the courts we should get certified in a year and
26 half or two years from now. The guy says, well that was
27 nice talking to you.

28 Q Well that's the problem
29 that Arctic Gas and Foothills have when it comes to
30 building a pipeline.

1 A But we think that there,
2 you know, there should be some speedy method set up and
3 I would -- you know, I can envision problems happening
4 on a pipeline which are going to have to be resolved
5 one way or the other.

6 The other thing that's going
7 to happen is that there will be a pipeline agreement.
8 Other persons working for other establishments will see
9 the benefits that can be gained by unionization, some of
10 the wages, etc. They will want to be organized. There
11 will have to some type of speedy system set up so that
12 can be accomplished. Because I envision the case of
13 very rapid unionization during the period of the pipe-
14 line being built. Not only for sub-contractors dealing
15 directly with the pipeline but also for other establish-
16 ments. I think this is one of the problems that will
17 have to be dealt with.

18 Q Yes, I see your point.
19 Can I ask you a question, Mr. McRae and Mr. Breckenridge.
20 You say you have four thousand union members in the
21 NWT. I think that's in here somewhere.

22 A Uhmm.

23 Q I would take it that
24 about two thousand are in the public service unions
25 and two thousand in mining. Is that the breakdown?

26 WITNESS BRECKENRIDGE: Probably
27 a little more in the public service.

28 Q Pardon me?

29 A Probably a little more in
30 the public service both Territorial and Federal government

Breckenridge, McRae
In Chief
Cross-Exam by Steeves

1 agencies, as well as Crown corporations.

2 Q So, if you have four
3 thousand members, twenty-five hundred to three thousand
4 would be in the public service unions?

5 A That's probably a better
6 number, yes.

7 Q And the remainder would
8 mostly be in the Pine Point mines here in Yellowknife.
9 They would be in the mining industry, wouldn't they?

10 WITNESS McRAE: Yes, most of
11 the other ones, yes.

12 Q And you don't have any-
13 body in the petroleum and natural gas -- in the petroleum
14 industry?

15 A No.

16 Q Right. Did you have
17 anything else, Mr. McRae before we --

18 A No, that's --

19 MR. GOUDGE: In the order
20 we have been using, sir, Mr. Steeves of Arctic Gas would
21 go first if he has any questions.

22 CROSS-EXAMINATION BY MR. STEEVES:

23 Q What's the
24 position of your committee on provincial status for the
Territories?

25 WITNESS BRECKENRIDGE: We
would like to see provincial status for the Territories.

26 Q That would be in the
27 interest of the people you represent, would it not?

28 A Certainly.

29 Q And that would be in the
30 interest to the people you represent because you believe

1 you could have more direct influence on the kind of
2 labor legislation which would be put in force in the
3 provincial sense --

4 A That's --

5 Q -- if the Northwest
6 Territories had provincial status?

7 A That's certainly one
8 consideration. You must remember our people are resident
9 here.

10 Q Of course.

11 A They would like to see
12 the rest of the provincial services be afforded to them.
13 We are not strictly dealing with the labor end of it
14 here when we say --

15 Q I was going to get to
16 that. I take it another aspect of it is this: You
17 would like your members and, in fact, everyone in the
18 Territories to have the same civil rights as people in
19 the Provinces?

20 A Absolutely.

21 Q In that sense your
22 interest and the interest of the native organizations
23 are identical, are they not?

24 A I would hope so, yes.

25 Q I'm sorry, did you say
26 they are or --

27 A Yes, I think so.

28 WITNESS MCRAE: Basically
29 what we're -- if you live in the Northwest Territories
30 long enough and had to deal with it and some of the re!

Breckenridge, McRae
Cross-Exam by Steeves

1 tape you have to go through here. We're, in effect,
2 a colony of Mr. Buchanan whether you like it or not.
3 The way, we feel, that we are going to be able to get
4 out from under his grip is by having some more control
5 of our own destiny. I don't think that is an unreasonable
6 thing to want. We feel ourselves in the labor movement
7 because basically we're imports from southern Canada
8 that have dealt with provincial jurisdictions, etc.
9 There seems to be a little bit more control in
10 provincial jurisdiction than there is in the Federal
11 jurisdiction.

12 I think that what we are
13 concerned about is controlling our own destiny. I think
14 that's the same thing that the native organizations want.
15 Now they are not that much in favour as the ones most of
16 the people I talked to of provincial status. On the
17 same lines that the present provinces are set up on.
18 They're worried and concerned that they want to control
19 their own destiny. So do we. Whether we get provincial
20 status on the basis that the other provinces are set up
21 on or whether we get it on some other basis.

22 What we are really concerned
23 about is we want some control over our destiny.

24 WITNESS BRECKENRIDGE: I
25 think we would like to see the --

26 Q You're saying the same
27 thing as the other gentleman. There is an affinity
28 of interest here?

29 WITNESS McRAE: Right.
30

Breckenridge, McRae
Cross-Exam by Steeves

1 WITNESS BRECKENRIDGE: I

2 think we would like to see --

3 Q Do you work together
4 now to achieve that objective?

5 WITNESS McCRAE: We've had
6 discussions with native organizations from time to time,
7 dealing with various problems.

8 Q ^{Have} You had discussions in
9 pursuit of that objective.

10 A Not really. We had
11 discussions on what they think their -- what their
12 set up, you know, what they envision their system of
13 control would be and what we envision. Now I'm the
14 first one to admit there have been differences in that
15 opinion. But the basic premise is still there. We
16 want control over our lives.

17 WITNESS BRECKENRIDGE: I
18 think what we would like to see is the Territorial
19 government cease to a wholly owned subsidiary of the
20 Department of Indian and Northern Affairs.

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Breckenridge, McRae,
Cross-Exam by Steeves

1 Q You know, I understand
2 what you're saying and I mean that seriously but I'm
3 directing my attention to, you say there's been discussion
4 and do you agree with that?

5 A Yes.

6 Q You participated in those
7 discussions? Well, what's happened from there? You
8 gentlemen represent the Labour movement, what has
9 happened as a result of the discussions, anything?

10 A We have attempted to
11 get the members of the Labour Movement in the Territories
12 vocal, if you will, and make better use of our legislative
13 assembly and hopefully work in that -- to that end,
14 the provincial or some form of self-governing status.

15 I'm sure you'll appreciate
16 one doesn't do that overnight. It's a very slow process
17 and it's a continuing one.

18 Q Have you tried to explain
19 to your members in the Northwest Territories what
20 your understanding of the aspirations of the Native
21 Brotherhood is?

22 A Yes, there has been
23 discussion in that regard, yes.

24 Q I'm talking about, not
25 just between the two bodies, between, within your member
26 organization.

27 A That's right. Our union
28 education programmes have spent time in that area,
29 most recently with the alliance was a local officers
30 in residence course here in February where we had

Breckenridge, McRae
Cross-Exam by Steeves
Cross-Exam by Hollingworth

1 representatives throughout the Territories, not exclusively
2 white, I might add, and these sort of things were dis-
3 cussed.

4 MR. STEEVES:
5 Thanks very much.

6 MR. GOUDGE: Mr. Hollingworth,
7 for Foothills.

8 CROSS -EXAMINATION BY MR. HOLLINGWORTH:

9 Q You talk about creating
10 incentives so that more or less equal opportunities in
11 the employment that's outside the pipeline sector
12 with the work in the pipeline sector and you mentioned
13 income tax credits as a way of doing this?

14 WITNESS McRAE: Well, that's
15 one way I can see that that would be an incentive type
16 of thing that would apply to the resident whether they'
17 worked for Hudson Bay or whether they worked for a
18 mining company or whatever it was.

19 Q How long would these
20 incentives last?

21 A Well, I think they
22 would have to last for at least for the construction
23 phase. What we're concerned about basically is that
24 we don't want everybody that's presently employed in
25 industry or an establishment in the Northwest Territories
26 to suddenly decide that they're going to work for the
27 pipeline and take off from the job they presently have
28 now. There are certain jobs that whether people agree
29 or not, that we feel should be done and we can't see,
30 you know, I can't see that we can put a restriction
on unions that are going to be representing the

Breckenridge, McRae
Cross-Exam by Hollingworth

1 employees on the pipeline saying you can't negotiate
2 this or you can't negotiate that or you only can go
3 this far. I think of what their terms of reference
4 are and what their responsibility is to establish the
5 best possible arrangement they can with their employer
6 and I think that the only way we can compensate that
7 is by making incentives to employees that aren't going
8 to be on the pipeline to make that employment as equally
9 attractive.

10 Q So you're saying that
11 the pipeline unions are free to negotiate the best
12 possible deal they can get from the pipeline contractors
13 and the government and the Bay and other employers
14 outside the pipeline sector are just going to have
15 to cough up the price of those pipeline unions being
16 able to do that.

17 WITNESS BRECKENRIDGE: I think
18 they're going to have to in order to retain their
19 work force. I see a very real possibility of losing
20 our transportation network at the present time. It's
21 quite a fragile one. It's unreasonable to expect a
22 man to continue to drive a truck at the airport, plowing
23 snow at "X"/dollars an hour ^{number of} when he can go to the
24 pipeline and work for three times that amount and those
25 facilities, that transportation network and those
26 facilities must be maintained.

27 Q Well, what's this all
28 going to be tied to, that's what I can't understand.

29 Well, aren't you running
30 a danger of having these artificial incentives just

Breckenridge, McRae
Cross-Exam by Hollingworth

1 being maintained after the pipeline's in place? So,
2 you've got an inflationary situation which is okay
3 for anyone whose got a job but it's detrimental to
4 someone who doesn't?

5 A There's certainly that
6 possibility at the end. I think if it was entered
7 into with the idea that it was for a particular time
8 and that time only we would at least stand a chance
9 of keeping the services that we presently have.

10 Q Now isn't there a
11 danger of creating an inflationary situation by paying
12 everyone these artificially high amounts?

13 A Well, it depends on
14 what system is arranged. Mr. McRae pointed out an
15 income tax incentive, that certainly isn't the only
16 one. You seem to be talking in additional dollars.
17 In direct wages. I don't know what the exact way to
18 do it is, maybe it's a system whereby you encourage
19 stable residency in the Territories, i.e. in housing
20 or whatever. I think something should be there to make
21 present jobs in the industrial and the government
22 agencies attractive enough to keep a work force there.

23 Q Well, it's just that
24 you've made recommendations in the event that the
25 pipeline is built and these are recommendations you're
26 asking the Commissioner to consider and we as partici-
27 pants are just asking and entitled to get details from
28 you and I guess what you're saying is that, I really
29 haven't thought this out in great detail, you just like
30 that concept.

1 A I think it's beyond my
2 expertise to come up with an all encompassing solution
3 to the problem. I identify the problem and we have
4 suggested two or three ways I think it should be con-
5 sidered and I think that's the view of our committee.

6 Q You say any additional
7 social services or facilities and all costs which may
8 or will be incurred must be absorbed by the pipeline
9 consortium, again, do you see this lasting during the
10 term of construction or beyond?

11 A I think that even before
12 construction. If you have the go ahead, if you will,
13 that some form of income for these social services should
14 be derived from the consortium, if not all. If we can
15 get it all, fine. It's unreasonable, take for example,
16 the City of Yellowknife. It has a very small municipal
17 rate payer tax base. The demand for municipal services
18 increases steadily and there just isn't the money to
19 pay for it. If we're talking the influx of 6,000 additional
20 workers and camp followers and whatever, I don't know,
21 it's certainly going to put an unreasonable strain on
22 the Territories and I think somebody's going to have to
23 cough up the bucks to pay for it.

24 Q How do you decide what's
25 attributable to the pipeline?

26 A Well, if your're going
27 to have 6,000 people here that are entitled to health
28 care, who's going to pay for it? The present system
29 in the Territories is that your health care is free.
30 You're going to bring in -- even with your northern

Breckenridge, McRae
Cross-Exam by Hollingworth
Cross-Exam by Sigler

1 preference; let's say we bring in 5,000 people, that's
2 5,000 additional people on that Territorial Health
3 Insurance Services roll that they're going to have to
4 pick up the tab for.

5 Q Well, your health care
6 is free in the sense that the government pays for it out
7 of taxes.

8 A Right.

9 Q And you certainly expect
10 the pipeline consortium to be paying taxes don't you?

11 A I hope so.

12 Q That's my whole point,
13 should the cost of this be borne out of the tax base?

14 A I don't know, I think
15 that puts an unreasonable burden on people that would
16 not be faced with that burden were he not here.

17 Q Well, it seems to me, if
18 you're getting the pipeline consortium to pay directly
19 for additional social services then the necessary
20 corollary to that is that it shouldn't have to pay any
21 taxes, do you agree with that?

22 A I don't think I can
23 comment on that.

24 MR. HOLLINGWORTH: Okay, those
25 are all the questions I have then.

26 MR. GOUDGE: Mr. Sigler?

27 CROSS-EXAMINATION BY MR. SIGLER:

28 Q Mr. McRae, I take it
29 that your basic proposition is that if there is a pipeline,
30 the pipeline company should be the parties responsible

1 for paying the additional costs that accrue in the
2 communities?
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Breckenridge, McRae
Cross-Exam by Sigler

1 WITNESS MCRAE: Yes, that's
2 the position I take. I use my limited dollars that I
3 have dealing with resource companies, mainly mining
4 companies, that that's the normal setup that they have.
5 They go into the community. They provide the services
6 and they normally get a certain period of years tax
7 free for providing that service.

8 But had they not moved in,
9 those services wouldn't have been provided and I think
10 this is the same type of thing we have here. I don't
11 see any reason why tax payers of Yellowknife or
12 Inuvik or any other area should be required to pay for
13 the extra services which will be required.

14 Q So, if there is additional
15 municipal services required, then the taxpayers in those
16 municipalities shouldn't have to pay a higher tax for
17 everything?

18 A You know, whichever is the
19 successful applicant, providing there is a successful
20 applicant, should be required to pick up those extra
21 costs.

22 Q And your evidence was that
23 you felt that the taxpayers in these communities already
24 have a high enough burden on them?

25 A Well, certainly. I don't
26 think I have to explain that to you. Dealing with
27 municipalities, municipal taxes are fairly high in the
28 Northwest Territories already.

29 Q I just like hearing it
30 again in evidence.

Q I wonder if your organizations or the association you're speaking for today has taken any position on the supply of gas to local communities if there is a pipeline?

This is one of the reasons why we, you know, basically we say there's little or no benefit for northern residents. We're taking oil and gas from this area, shipping it to Southern Canada and the United States and I would imagine that we'll be expected to buy that gas back at the resale price shipped back up from Southern Canada.

WITNESS BRECKENRIDGE: Well-head price.

WITNESS MCRAE: Wellhead
price or whatever the terminology is that they use, that

Breckenridge, McRae
Cross-Exam by Sigler

1 there would be some direct benefit. I could see that.
2 I'm really not that familiar with that part but this
3 is what I understand has happened.

4 Q But you would be in favor
5 the principle of the people living here, sharing in
6 their own natural gas--

7 A Certainly.

8 Q --and becoming consumers
9 of it. I won't cross-examine you about the City of
10 Yellowknife's certification case. We'll do our arguments
11 there, I guess, in Ottawa next month. Those are all
12 my questions.

13 MR. GOUDGE: Mr. Sigler acted
14 for the City of Yellowknife.

15 THE COMMISSIONER: Is that the
16 one that--

17 MR. BAYLY: I thought it was
18 beyond the terms of reference of the Inquiry.

19 MR. SIGLER: We've established
20 a precedence for nothing going beyond the terms of
21 reference. Those are all my questions sir.

22 MR. GOUDGE: Mr. Bayly?
23 CROSS-EXAMINATION BY BAYLY:

24 MR. BAYLY: Well, I wonder
25 if you could tell me, are any of the unions that have
26 been on the previous or the two panels that we heard
27 from yesterday, members of the N. W. T. Labour Co-
ordinating Committee?

28 A Yes, they have--for
29 instance, building trades do have members in the
30 Northwest Territory. Those people, at least the members

1 of the International Brotherhood of Electrical Workers
2 are members of the Labour Co-ordinating Committee and
3 as a matter of fact, there was a representative from
4 the Alberta Building Trades at the conference when this
5 Labour Co-ordinating Committee was formulated.

6 I should explain to you what
7 the actual--the Labour Co-ordinating Committee is a
8 forerunner of the Federation of Labour. Once we can
9 establish with the Canadian Labour Congress that we
10 are responsible people and we're acting in the interests
11 of labour, I'm assuming we're going to get a federation
12 charter of the Canadian Labour Congress.

13 Q If you can get them up
14 here.

15 WITNESS BRECKENRIDGE: Well,
16 we seem to get them up here. We just don't get the
17 charter.

18 Q I see. In any event,
19 the fact that they belong to the Labour Co-ordinating
20 Committee doesn't mean that they necessarily agree with
21 your position that you've taken in this evidence. They
22 may represent a minority view in that they appear to
23 support the building of a pipeline in the Mackenzie
24 Valley as soon as possible.

25 THE COMMISSIONER: Excuse me.
26 Who is they?

27 MR. BAYLY: These are the
28 Alberta Building Trades and the electrical workers.

29 THE COMMISSIONER: And the
30 Canadian Pipeline Advisory Council.

Breckenridge, McRae
Cross-Exam by Bayly

1 MR. BAYLY: I wasn't thinking
2 of the Advisory Council, sir, so much as the unions
3 themselves whose representatives have given evidence
4 before you.

5 THE COMMISSIONER: Yes. Well,
6 the Building Trades, all of their representatives
7 who have appeared support the construction, the early
8 construction of the Mackenzie Valley Gas Pipeline and
9 the only representative of any of the building trades
10 unions who countenance any delay at all was Mr. St. Eloi
11 who would have delayed delivery of gas until native
12 land claims were settled. I think that's the position
13 of those organizations.

14 A I just want to point that
15 out just on what we're--the people that belong to our
16 Labour Co-ordinating Committee are people that belong
17 to--I'm not denying that they don't belong to the
18 Building Trades but they're residents of the Northwest
19 Territory. They are also concerned about higher cost
20 of living, about disruption of social services, et
21 cetera and this is why we raised only these issues here.

22 We could have raised several
23 other issues.

24 THE COMMISSIONER: Well, the
25 majority of your membership comes from an industrial
26 union of your own.

27 A Right.

28 Q And from the public
29 service unions.

30 A Right, and very small

Breckenridge, McRae
Cross-Exam by Bayly

1 percentage come from the building trades.

2 THE COMMISSIONER: Yes.

3 MR. BAYLY: Mr. McRae, I
4 understand from your curriculum vitae, your work
5 history, that you have worked in Thompson, Manitoba.

6 WITNESS MCRAE: Yes, as a
7 matter of fact, I'm still employed by the International
8 Nickel Company of Canada Ltd. and I'm on a leave of
9 absense but I haven't worked for them for some period
10 of time.

11 Q Yes, Now, we had some
12 discussions and you were present for them. I saw you
13 in the back of the room and they centered around whether
14 it would be possible to give special working schedules
15 to native peoples who still want to hunt and trap in
16 conjunction with joining in the labour market.

17 Now, in your experience in
18 Manitoba, did you encounter any system that allows
19 native peoples to do such a thing?

20 A Yes, I'm familiar with
21 a couple of programs. I'm familiar with the program
22 that our union there worked out with the International
23 Nickel Company of Canada Limited, wherein persons of
24 native origin were brought into the Thompson community.
25 I should explain that the first time this was tried it
26 didn't work out so good and I'll give you the reasons
27 for that.

28 They were brought in on the
29 basis that they would work twenty-one days in and
30 they would then go home for seven days. There was a

1 native counsellor system set up but the basic problem
2 was that the housing facilities that the company
3 provided for those people were in an area called the
4 Brentwood Trailer Court which was built on top of a
5 swamp and they were shuttled in the back corner and
6 all grouped together and in effect it was a ghetto.

7 This didn't work out too good.
8 After about two times around, nobody returned. The
9 program was then reinstituted and the people, rather
10 than working altogether on one shift, under one shift
11 boss, were split up through the various areas of the
12 plant. They were given housing throughout the various
13 areas of the community and the program was working
14 fairly good. When I say fairly good, you have to
15 understand that the native employment in the mining
16 industry is fairly limited and we found through
17 experience that most native people do not prefer to
18 work underground.

19 They prefer to work on surface
20 operations, like open pit operations. They prefer
21 to work in areas such as a mill, rather than a smelter.
22 We found that by inserting the people into these areas,
23 that it's worked out quite well.

24 There's another program at
25 Shared Gordon Mines. It operates in Northern Manitoba
26 called the Towow Program which is working fantastically
27 successful. They have a substantial number of native
28 people working there. But most of them are working at
29 Leaf Rapids, which is an open pit operation and for
30 those very reasons. I think there's a natural reluctance

1 for native people to work underground. I think there's
2 a natural reluctance for a lot of white people to work
3 underground too, but we seem to accept it more readily
4 than they do. Both of these programs seem to be working
5 fairly good.

6 Now, the basic way it works
7 is twenty-one shifts you work and then you take seven
8 days off and you work in cycles. If you miss a cycle,
9 there's no real problem. There's people that do miss
10 cycles, that do hunting or fishing or trapping and it
11 seems to be working quite readily. There doesn't seem
12 to be a problem with the rest of the members. We've
13 explained to our membership at least in Thompson that
14 this would be the situation and there was first some
15 objection from people, for instance, from Saskatchewan
16 that came from farms and said, well, why can't I work
17 twenty-one days and get seven off? You know, this type
18 of thing.

19 The situation has worked out
20 quite well.
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Breckenridge, McRae
Cross-Exam by Bayly

1 Q You are saying there is
2 very little resentment?

3 A Well, there was when it
4 was first instituted and I think that if there was
5 proper -- if it would have been instituted properly to
6 start with and properly explained when it first started
7 I think there would have been none. There is not --
8 that I am aware of there is no opposition to it at all.
9 As a matter of fact, it's been encouraged and there is
10 more and more people working on that basis all
11 the time.

12 Q And does that mean
13 when you say "missing a cycle" that if a person decided
14 he was going to trap for two or three months he could
15 miss two or three cycles and come back and apply for
16 another job without any prejudice to his work record?

17 A Well, the way the
18 cycle works. It works slightly better than that even.
19 The person when he gets hired on starts and maintains
20 seniority and if my memory serves me correct at
21 International Nickel they can miss one cycle which would
22 be a 35-day period. After that 35-day period they
23 would come back and resume employment and they would
24 still get that 35-day cycle that they missed credited
25 to their seniority so they wouldn't lose seniority on
26 the basis for vacation entitlement, for pension plan
27 purposes and other things like that.

28 Q How many of those cycles
29 could they miss in a year without impairing their
30 seniority?

Breckenridge, McRae
Cross-Exam by Bayly

1 A Well, it's never really
2 been tested. I know that there's usually a cycle
3 that's missed in the spring and you have to understand
4 that most of the people that have come to at least
5 the International Nickel operation have come from the
6 Cross Lake area where they have fairly substantial
7 fishing operation there and normally almost
8 everybody misses that entire cycle there. So there's
9 about three cycles a year that are normally missed.
10 The other one obviously is the fall hunting cycle.

11 Q So people will generally
12 miss three 35-day periods or three 28-day periods a
13 year as an average?

14 A Yes. That is the
15 people that are directly involved. Now, there's other
16 people that have given up the what we call land-base
17 economy where they've just haven't trapped or hunted
18 and they've just gone on a strict wage economy after
19 two or three times around and normally what happens is
20 that those people then tend to generally leave the
21 community entirely and then move into the Thompson
22 area on a fulltime basis.

23 Q So they work like any
24 employee from down south?

25 A Yes, then they go into
26 work like any other employee but I think there is --
27 you know, there has to be an orientation period here.
28 You have to remember that we as a white society
29 have gone into Indian
30 communities to hire people and we
31 use such cliches and I happened to be party to one

Breckenridge, McRae
Cross-Exam by Bayly

1 where the representative from the company was explaining
2 to the native people that if they came to work in
3 Thompson and worked for the mine for so many years they
4 could retire and get a pension and then they could
5 hunt and trap or whatever they wanted do and it didn't
6 seem to make too much sense to them because that's
7 what they were presently doing now. You know, they
8 couldn't understand why they had to go work for
9 35 years to do what they could do now. So, I
10 think that when you bring somebody from a landbased
11 economy into a wage economy, I think there has to be
12 a certain amount of indoctrination and tolerance
13 and with their lifestyle because it's a complete total
14 change.

15 Q All right. Are there
16 any special considerations given in job posting that
17 we might be able to learn something about in the
18 Thompson area?

19 A Well, we have a trainee
20 procedure in our collective agreement whereupon you
21 apply for a posting that -- and it strictly works
22 on seniority but due to the high turnover in mining
23 industry, I can give you for instance last year,
24 International Nickel turned over 118%. It's
25 got 5,000 employees there. You know, so there's a
26 substantial amount of turnover. Your opportunities for
27 advancement with that company are fairly rapid.

28 Q I think we're maybe using
29 different terms. What I was thinking of for posting
30 was are jobs advertised in northern Manitoba settlements

Breckenridge, McRae
Cross-Exam by Bayly

1 before they're advertised in southern Canada. Is there
2 any system like that?

3 A Well, we have -- not
4 with the mining company but there is -- you probably
5 know that there's a massive hydro developments in
6 northern Manitoba and they have a northern preference
7 situation in northern Manitoba and so for a lack
8 of a better term, we'll call it a bona fide northern
9 resident in northern Manitoba is someone who lives
10 north of the 53rd parallel and has been a resident
11 for two years, whether they be native or white.

12 When they do hiring on
13 the hydro projects, there is northern preference given;
14 that is, that the jobs are all posted through manpower
15 offices and through the Metis Federation, through the
16 unions there and there can be nobody hired from
17 southern Manitoba for a period of three days. If
18 someone in northern Manitoba has the sufficient skills
19 to fill that posting they get the job before somebody
20 from southern Manitoba. Somebody from southern
21 Manitoba gets preference from somebody from out of the
22 province. So there's actually a three tiered system.
23 It seems to be working out quite well. There's a
24 northern manpower core set up in Manitoba which has
25 got nothing to do with manpower of the Federal
26 Government. It's a provincial operation and they
27 employ people that have expertise in unions, people
28 that have expertise in native organizations and they
29 work as counsellors and visit job sites and discuss
30 problems and make sure that northern people do get the

Breckenridge, McRae
Cross-Exam by Bayly

1 preference on the hiring before southern people do.

2 Q And that's similar I
3 take it, to the program that exists in Fort McMurray
4 that was described to us by the Alberta Trades.

5 A It sounds to be a
6 very similar program, yes.

7 Q Yes, now, I take it that
8 where you have a fundamental difference with some
9 of the other union representatives and particularly
10 Mr. Nessel is that you are concerned with what happens
11 outside the pipeline industry with workers being
12 drawn from present jobs of the Northwest Territories
13 to more attractive work on the pipeline.

14 A Yes, that's one of our
15 concerns. The other concern is that we feel that
16 the pipeline is going to create a boom economy which
17 is going to in turn raise the cost of living. It's
18 going to make the prices higher. There's going to be
19 a shortage in goods. Transportation systems that we
20 presently have will be clogged up transporting pipeline
21 workers and you know, for the sake of being very
22 selfish if I wanted to get on a plane to go from here
23 to Hay River I want to be pretty well assured that I
24 can get a seat, you know. I think that what the other
25 thing that concerns us is that the present establishments
26 that we have now. We have, for instance, in the mining
27 industry, we have people that are very highly qualified
28 as highly qualified as pipeline workers. We have
29 dozer operators. We have all kinds of people that
30 operate heavy equipment in open pit areas and we're

Breckenridge, McRae
Cross-Exam by Bayly

1 concerned that they will be attracted away from
2 permanent employment to seasonal or at best short-
3 term employment, on the basis of high wages and those
4 present industrial establishments will suffer and
5 I think that's a legitimate concern that we should have.

6 Q Right. Can you tell
7 me whether you subscribe to the views that were outlined
8 by the Canadian Labour Congress panel that preceded
9 you with regard to legislation for the Northwest
10 Territories that would provide automatic recognition
11 of bargaining units for everybody employed in the
12 Territories?

13 A Yes, I sure do. I
14 didn't think that they would go far to tell you the
15 truth. I'm concerned and I think I explained that
16 when we expanded there's a just fantastic amount of
17 delay working under the present labour code, the
18 Canada labour code and there's also seems to be a
19 difference of opinion between certain areas on
20 certain things. Who has the jurisdiction between the
21 Federal or the Territorial Government and I think that
22 this should be completely outlined once and for all
23 and I would certainly subscribe to the C.L.C.'s
24 position that it should be automatic, you know,
25 bargaining rights and then let -- if the employees want
26 the steelworkers to represent them or the teamsters or
27 the corkstoppers. It doesn't make any difference to
28 me. The thing I think we're concerned about is that
29 they should be able to obtain those bargaining rights and
30 as quickly as possible.

Breckenridge, McRae
Cross-Exam by Bayly

1 Q Do you agree that they
2 should be able to opt out if they choose to do so
3 in the fashion that the Labour Congress outlined?

4 A Yes, I would agree with
5 that. That's presently -- you know, the provision
6 of the code right now just says that a union could
7 be decertified.
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Breckenridge, McRae
Cross-Exam by Bayly

1 Q Do you envisage any
2 problems with people who opted out getting jobs?

3 A Yes, I can -- I subscribe
4 completely to statements that were made yesterday and
5 today that union organization is a good thing and I
6 think that you'll find that there is occasions when
7 you have non-union people working in close proximity
8 to union people where there is natural conflict and
9 they seem to get worse if the problem isn't removed or
10 resolved and I can envision a pretty serious problem
11 that if somebody opted out they might have a little
12 bit of a problem getting a job somewhere else.

13 Q Anywhere else in the
14 Territories.

15 A Yes. Unless they went
16 to another place that opted out, you know.

17 Q I understand. Now,
18 you've subscribed to the recommendation that the pipeline
19 should be used as a vehicle to establish a further
20 -- to establish and further expand present transportation
21 systems. I don't know if you're aware, but one of the
22 concerns that has been expressed in various communities
23 in the Mackenzie Valley has been that if roads are
24 improved and new roads are built it may bring more
25 problems to the communities than already exist there.
26 Are you aware of that concern and do you share it?

27 A Yes, I think that's a
28 concern that a lot of smaller communities are concerned
29 with but I think that there are certain advantages
30 and I think that if the communities didn't want, per se

1 a road into that area, I think that should be respected,
2 but I think that if we are going to build a pipeline,
3 we're going to be transporting goods, I don't know how
4 they'd be transported around and down from the top
5 or up through the Territories, but it seems to me that
6 that system should be utilized to further expand the
7 transportation to those areas that require or want it,
8 or desire it. I think that the other thing that concerns
9 me is we have certain areas in the Arctic that rely
10 on, for instance the annual sea-lift, you know, how is
11 this, you know, by transporting goods for the pipeline,
12 is that going to effect the amount of goods that can
13 be transported in during the sea-lift and this type of
14 thing.

15 Q I can appreciate that.
16 One of the things I'd like to know is can -- I under-
17 stand from your last answer that you would like to see
18 local communities have a say as to whether transportation
19 facilities into their communities should be changed before
20 any decision to do so otherwise.

21 A Yes, I'm a great believer
22 in community control you know, and I support the position
23 that for instance, we have in the Northwest Territories,
24 in regard to liquor where local communities can say
25 whether they're dry or not. I think the same type of
26 thing should apply, but I think you have to also
27 realize that there's probably untapped minerals,
28 resource, an industry based thing, maybe a tourism
29 industry or you know, things that could be to the
30 advantage of certain communities and by having maybe

Breckenridge, McRae
Cross-Exam by Bayly
Re-Examination

1 better access than they have now they'd be access to
2 better medical facilities for instance or -- but I think
3 that's the type of decision that the community should
4 have and maybe not total control but at least have a
5 great say into whether there's going to be roads there
6 or what.

7 MR. BAYLY: Thank you very
8 much, those are the questions that I have, thank
9 you gentlemen.

10 RE-EXAMINATION BY MR. GOUDGE:

11 Q Just a couple of
12 questions, gentlemen, if I may. Mr. McRae, you gave
13 us the benefit of your experience in Thompson, concerning
14 the way native employees are dealt with there concerning
15 scheduling. Has there been any difference in treatment
16 concerning native employees in the matter of discipline?

17 WITNESS McRAE: Well, we have
18 the programme in Thompson dealing with discipline, it
19 deals more or less with counselling rather than what
20 we would term normal discipline, where you know, you
21 get a warning and a two day suspension then you're
22 fired or something, there's -- and a lot of the judgment
23 dealing with discipline is left up to the individual
24 shift-boss or foreman.

25 Q Could you explain --
26 could you elaborate for me a little bit how the counselling
27 process dovetails with matters of discipline?

28 Q Well, it's more or less,
29 a lot of the counselling or the discipline is left up
30 to the judgment of the foreman. Now, the foreman,

1 supposedly is the person -- you know, is the person's
2 immediate boss and is probably more accutely aware
3 of problems that deal with individual employees than
4 somebody in the Industrial Relations who works in the
5 main office, you know, for the sake of a better argument
6 and they generally deal with counselling on the basis,
7 well, you know, maybe you got a problem, you know,
8 what's the problem, can we help out? If maybe a problem
9 deals with alcoholism we have a programme set up with
10 the company where that can be dealt with, and the same
11 thing deals with drug addiction. There's an arrangement
12 with the Mental Health Association in the Thompson
13 area which deals with such things as marriage break-downs,
14 separation from families, you know, this type of thing.

15 We have all -- and the actual
16 discipline is actually a very loose kind of thing. If
17 somebody doesn't respond or somebody doesn't seem to
18 have a good reasoning or can't be helped some other
19 way, generally they are let go, but we really haven't
20 run into that type of problem. We've usually been able
21 to come to what the basic problem is. Maybe the problem
22 is the guy's got financial problems, maybe it's he's
23 got marriage problems or maybe he's got an alcohol
24 problem, you know, there's ways and means that could
25 be handled and we've worked with the company on a
26 joint co-operation on this basis and I must say we've
27 been pretty successful.

28 Q I take it there are
29 no special plant rules that provide any positive
30 treatment, for example for native employees as to matters

Breckenridge, McRae
Re-Examination

1 of discipline?

2 A No there's not, but
3 you can say on a general basis that normally, depending
4 on how long the person has worked there, you know,
5 when I say that the company realizes and the Indian
6 realizes that when you bring somebody from a settlement
7 or from a smaller center into a place like Thompson,
8 that you're -- that's like somebody from Yellowknife
9 going and dropping them in the middle of Toronto. You
10 know, there's a lot of things they don't understand and
11 there's a lot of things they -- that just overwhelms
12 them and there's a certain orientation and a certain
13 period of time where they have to get into the fold of
14 things, and there's a lot less -- there's a lot more
15 discretion at that period of time than there would be,
16 say, six months down the road or one year down the
17 road.

18 Q And I take it, acts done
19 at that period of time might be looked on differently
20 if they were done by a native employee newly hired than
21 if they were done by a long-term employee, is that so?

22 A That would be, depending
23 on what the offense was. You know, it could be a
24 serious safety breach or something where sometimes there's
25 a problem, maybe the person didn't fully understand
26 what the instructions were or sometimes in the case of
27 native employees, and not only deals with native employees,
28 I'm talking about sometimes with European employees,
29 that they don't fully understand the English language
30 and maybe that it's just a matter of re-instructing and

1 make sure that they understand what the instructions
2 are.

3 Q Is this difference in
4 attitude towards this type of act a matter of collective
5 bargaining between the union and the company or is
6 it simply a matter of practice that the company has
7 adopted?

8 A Well, it's basically
9 a matter of common sense, you know, it's not set right
10 down in the agreement that if you've only worked here
11 for a week you can get away with this or that, it's
12 just more or less a matter of common sense and a matter
13 of how you deal with people.

14 Q Now, let me put one
15 proposal to you that has been offered to the Commission
16 concerning the first problem that you dealt with in
17 your evidence, or it relates to the first problem
18 that you dealt with in your evidence. The proposal
19 was this, that labour standards ordinances in this
20 -- in the Territories should be revised to make provision
21 for extended working hours for all business during
22 the pipeline construction period, is that a change
23 that your organization could live with?

24 A Well, I don't understand
25 that, because if I understand the present labour
26 ordinance the way it's written that they're only
27 entitled to work so many hours per month or over a four
28 week period which can be averaged and anything over
29 those number of hours, overtime rates apply. Now, when
30 you get to a certain number of hours you can exceed that

Breckenridge, McRae
Re-Examination

1 by getting a permit and from my understanding, getting
2 a permit is not that hard, you just write in and say
3 you want a permit for these people to work and it deals
4 mainly with oil exploration. There's five or six
5 designations. I think it deals with petroleum, mining,
6 and a few things like that and from my understanding
7 that's presently in the ordinance now.

8 Q So there's no --

9 A And I'm sure it is
10 because as a matter of fact because we made presentations
11 to the last sitting of the Council to change that and
12 get it back like it was.

13 Q There's in practice no
14 constraint to the working of long hours?

15 A Well, other than the
16 fact that you have to get a permit and I'm only aware
17 of one establishment that didn't get a permit that's
18 ever applied.

19 Q Yes.

20 WITNESS BRECKENRIDGE: Primarily
21 the Labour Standards Ordinance cite the minimum
22 standards, minimum remuneration and that sort of thing
23 and I don't, as a practice tend to get into the other
24 end of things, the maximum end. It's left to a collective
25 agreement to get better than the Labour Standards
26 Ordinance.

1 THE COMMISSIONER: It deals
2 with minimum wages and conditions or work and so forth,
3 I take it?

4 A Yes, forty-four hours
5 a week. One day off a week, et cetera.

6 Q Collective bargaining
7 is dealt with under the Federal legislation.

8 A Right.

9 MR. GOUDGE: As a matter of
10 solution to your--the problem you've identified for
11 us of impact on local labour markets, is extended
12 overtime a possible solution to the drain on the present
13 local labour market that may be caused by this project?

14 WITNESS MCRAE: This might
15 come as quite a shock to you but we're trying to
16 convince our membership that they shouldn't be working
17 long hours of overtime. They should be working forty
18 hours a week at a decent wage and I'm not prepared to
19 say that I want our members to start working eighty
20 hours a week so they can make the same kind of money
21 that they make on a pipeline.

22 I'm happy to say that we have
23 members in our union that make substantial wages that
24 are probably--you know, a lot of them would probably
25 make more than they would make on a pipeline. But I'm
26 not prepared to say that we're going to propose to the
27 companies that we want everybody working eighty hours
28 a week now so you can hold these guys.

29 We're, in fact, doing the
30 other thing. We think there are certain harmful effects

Breckenridge, McRae
Re-Examination

1 that affect people from working long hours and we want
2 them working shorter. Instead of working more overtime,
3 we're trying to reduce the work week from the present
4 forty-four in the legislation down to forty and hopefully
5 from forty, down to something a little lower than that.

6 You know, so I don't think that
7 by permitting or encouraging our members to work longer
8 hours to make more money is going to solve the problem.
9 Now, if businesses decide that they are going to work
10 longer hours and they are going to pay overtime, there's
11 not a lot that we can really say about that, other than
12 the fact that the next time we negotiate or when we
13 organize something, we'll try to make that punitive
14 rate for overtime so high that it won't be advantageous
15 to let them work overtime.

16 Q I take it all that is
17 despite the fact that we've been told remuneration
18 in the pipeline construction industry is so high
19 as a result of much overtime.

20 A Yes, well I think that's--
21 you know, I think one of the reasons why--I think there's
22 several reasons why that happens. Number one, they are
23 trying to build the pipeline as fast as they can.
24 Advantageous effect of lots of overtime is an attracting
25 factor. You have to remember that they normally work
26 on the basis of rotation, so they can work long hours
27 for short periods of time because they are going to get
28 a certain amount of time off where they're not going to
29 be required to work at all. It's more like a RR program,
30 you know; rest and recreation.

Breckenridge, McRae
Re-Examination

1 You can work a lot of hours for
2 a short period of time if you know you are going to have
3 a few days off to rest up. But if you're going to work
4 in a continuous operation based where they presently
5 do now--for instance, in establishments that are normally
6 open six days a week, et cetera, you've only that one
7 day. I mean the employer is not going to give everybody
8 a week off so they go home and shut down his business,
9 so they can rest up.

10 THE COMMISSIONER: Well, they're
11 doing that in some camps. They're going home to see
12 their family every weekend. That's another difference
13 of pretty great importance.

14 MR. GOUDGE: Lastly, Mr. McRae,
15 or Mr. Breckenridge, have you given any thought to the
16 possibility of indexing wage rates in the Territories,
17 other than those paid on the project to take account
18 of local inflation?

19 WITNESS BRECKENRIDGE: It's
20 somewhat difficult to do. The present wage and price
21 controls are based on a Canada price index and it isn't
22 even--the N. W. T. cost isn't even figured into it.

23 It's a possibility, I suppose,
24 if that machinery to establish the index was there.

25 Q Well, I understand that
26 you raised the problem for us without exhaustively
27 analyzing all the solutions. I wondered, if in your
28 thinking about it, you'd given any thought to that
29 particular solution? Mr. McRae?

30 WITNESS MCRAE: Yes, we've

1 done that. We use all kinds of indexes. We have
2 agreements where we use the CPI because that's presently
3 the only one that's available. You know, we have in the
4 mines now, in the gold mines at least, we have an index
5 indexing what we call the gold price adjustment which
6 we base on the London stock exchange because that seems
7 to be the accepted one.

8 You know, there isn't really
9 any indexing thing presently in operatin in the Northwest
10 Territories. The only thing we have is every once in
11 awhile the Consumers Association or the Food Price
12 Review Board makes a comparison and then we compare
13 that to what they presently have in other places.

14 For instance, I note that the
15 last one that was done by the Food Prices Review Board
16 shows that the cost of living in the Northwest Territories
17 I think was 29% higher than it was in the City of
18 Edmonton. You know, you get these infrequent little
19 things and you'd have to have a more comprehensive
20 mechanics or machinery done, you know, set up to do
21 that.

22 The other thing we have a
23 problem with indexing is that you have a certain lag
24 factor, you know, where you get--even using the CPI
25 you get figures that are about six or eight weeks old
26 and then you have a combination of saving them up for
27 a certain period of time and then you pay on another
28 period of time which is probably a five or six month
29 lag.

30 We are really concerned about

1 the cost of living. I haven't been to Alaska and I've
2 read several articles and I don't know if they're true
3 or not but I've talked to different people that have
4 visited and they say the cost of living since the
5 pipeline construction came through there is just
6 unbelievable and I don't really know how you combat
7 that.

8 MR. GOUDGE: Thank you. Those
9 are all the questions I have.

10 THE COMMISSIONER: No further
11 questions. Well, thank you Mr. Breckenridge, Mr.
12 McRae. We really are indebted to you for coming and
13 discussing these problems with us and presenting the
14 point of view of the Co-ordinating Committee and let
15 me just say that I think it's appropriate that the two
16 days that have been devoted to representations by those
17 connected with pipeline construction and with labour
18 relations generally should be capped up by a presentation
19 from those who represent labour here in the Territories.
20 Thank you again.

21 What's the menu for tomorrow,
22 Mr. Goudge?

(WITNESSES ASIDE)

23 MR. GOUDGE: I suggest, sir,
24 that we start at 9:30. The Association of Mental
25 Health has a panel with three people on it that will
26 commence the day and perhaps we could see how we get
27 along. Mr. Bayly's witness will be available later on
28 tomorrow but I think we should wait and see how we come
29 along.

30 THE COMMISSIONER: Who is Mr.

1 Bayly's witness?

2 MR. GOUDGE: He's gone. It's
3 Louis Clark, I think.

4 THE COMMISSIONER: What subject
5 does she deal with?

6 MR. GOUDGE: Housing.

7 THE COMMISSIONER: Health?

8 MR. GOUDGE: Housing, sir.

9 THE COMMISSIONER: Oh, housing.

10 MR. GOUDGE: Just before we
11 close, I should file the report that I made mention
12 of earlier today and yesterday by Gemini North Trade
13 Unions in Canada and the northern resident and we
14 photocopied an additional seven or eight copies for
15 any participants that didn't get one yesterday.

16 THE COMMISSIONER: Okay, well
17 we'll adjourn until 9:30.

18 (LETTER FROM SAM RADDI TO UNIONS MARKED EXHIBIT 738)

19 (COST COMPARISON BETWEEN WARM WATER AND METHANOL-

20 WATER AND METHANOL-WATER TESTING MARKED EXHIBIT 739)

21 (RESPONSES TO MUNICIPALITIES RE GAS TO NORTHERN

22 COMMUNITIES MARKED EXHIBIT 740)

23 (EVIDENCE OF BUILDING TRADES COUNCILS MARKED EXHIBIT 741)

24 (EVIDENCE OF THE CANADIAN LABOUR CONGRESS MARKED EXHIBIT
25 742)

26 (EVIDENCE OF N. W. T. LABOUR CO-ORDINATING COMMITTEE
27 MARKED EXHIBIT 743)

28
29 (PROCEEDINGS ADJOURNED UNTIL SEPTEMBER 9, 1976)
30

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Mackenzie Valley pipeline inquiry:
September 8, 1976 Yellowknife

action

~~NOV - 8 1976~~ *Hollanda*

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Vol 181

MACKENZIE VALLEY PIPELINE INQUIRY

IN THE MATTER OF APPLICATIONS BY EACH OF

- (a) CANADIAN ARCTIC GAS PIPELINE LIMITED FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE YUKON TERRITORY AND THE NORTHWEST TERRITORIES, and
 - (b) FOOTHILLS PIPE LINES LTD. FOR A RIGHT-OF-WAY THAT MIGHT BE GRANTED ACROSS CROWN LANDS WITHIN THE NORTHWEST TERRITORIES
- FOR THE PURPOSE OF A PROPOSED MACKENZIE VALLEY PIPELINE

and

IN THE MATTER OF THE SOCIAL, ENVIRONMENTAL AND ECONOMIC IMPACT REGIONALLY OF THE CONSTRUCTION, OPERATION AND SUBSEQUENT ABANDONMENT OF THE ABOVE PROPOSED PIPELINE

(Before the Honourable Mr. Justice Berger, Commissioner)

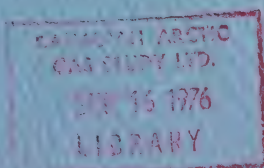
Yellowknife, N.W.T.

September 9, 1976.

PROCEEDINGS AT INQUIRY

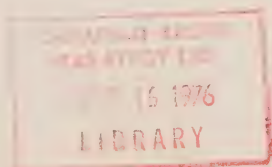
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APPEARANCES:

- Mr. Ian G. Scott, Q.C.,
Mr. Stephen T. Goudge,
Mr. Alick Ryder, and
Mr. Ian Roland, for Mackenzie Valley Pipeline Inquiry;
- Mr. Pierre Genest, Q.C.,
Mr. Jack Marshall,
Mr. Darryl Carter, and
Mr. J.T. Steeves, for Canadian Arctic Gas Pipeline Limited;
- Mr. Reginald Gibbs, Q.C.,
Mr. Alan Hollingworth, and
Mr. John W. Lutes, for Foothills Pipe Lines Ltd.;
- Mr. Russell Anthony,
Prof. Alastair Lucas and
Mr. Garth Evans, for Canadian Arctic Resources Committee;
- Mr. Glen W. Bell and
Mr. Gerry Sutton, for Northwest Territories Indian Brotherhood, and Metis Association of the Northwest Territories;
- Mr. John Bayly and
Miss Lesley Lane, for Inuit Tapirisat of Canada, and The Committee for Original Peoples Entitlement;
- Mr. Ron Veale and
Mr. Allen Lueck, for The Council for the Yukon Indians;
- Mr. Carson Templeton, for Environment Protection Board;
- Mr. David H. Searle, Q.C.
for Northwest Territories Chamber of Commerce;
- Mr. Murray Sigler and
Mr. David Reesor, for The Association of Municipalities;
- Mr. John Ballem, Q.C., for Producer Companies (Imperial, Shell & Gulf);
- Mrs. Joanne MacQuarrie, for Mental Health Association of the Northwest Territories.



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NORTHWEST TERRITORIES

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Jack G. McCOMBS
Terry FORTH

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WITNESSES FOR THE COMMITTEE FOR ORIGINAL
PEOPLES ENTITLEMENT

Louise CLARKE

In Chief	28362
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Yellowknife, N.W.T.

September 9, 1976

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Are we ready to begin?

MR. GOUDGE: I think we are sir. The panel for this morning is presented by Mrs. MacQuarrie on behalf of the Northwest Territories, Canadian Mental Health Association. It consists of the three gentlemen before you. I've indicated to Mrs. MacQuarrie that I would assist by qualifying the panel and then the panel can commence to read their evidence.

The three gentlemen before you are on your left, Dr. John Clayton, in the middle Mr. Jack McCombs and on your right, Mr. Terry Forth. They will each be making presentations and perhaps if I could qualify them by beginning with you, Dr. Clayton. You were born in Saskatchewan and received your medical training, as I understand it at Queens University interning at Kingston General Hospital, is that so?

JOHN K. CLAYTON, sworn:

JACK G. McCOMBS, sworn:

TERRY FORTH, sworn

WITNESS CLAYTON: Yes.

Q And you obtained a diploma in psychiatry at the University of Toronto and are certified with the R.C.P. Canadian F.R.C.P., those two organizations, is that so or is that a single organization?

1 A A fellow with the
2 Royal College of Physicians and Surgeons.

3 Q Yes.

4 A One organization.

5 Q And your work experience
6 includes serving with the Department of Health, Ontario
7 Hospital, Kingston Ontario, Wellsey General Hospital
8 and the Mental Health Clinic, Queens Street in Toronto,
9 is that so? You followed that by serving at the
10 Hamilton Psychiatric Hospital for three years, initially
11 as Director Community Services and as well
12 serving as a consultant to the Rehabilitation Unit
13 and in 1970 as Acting Unit Director for the unit
14 serving the core city of Hamilton, is that so?

15 A Yes.

16 Q And from 1971 to the
17 present you've been with the Canadian Mental Health
18 Association as Professional Director and Executive
19 Secretary of the National Scientific and Planning
20 Council.

21 A Yes.

22 Q And your university
23 appointments include an appointment with the Department
24 of Psychiatry, University of Toronto, from 1956 to
25 1968 and with the Department of Psychiatry, McMaster
26 University from 1968 through 1971, is that so?

27 A Yes.

28 Q I have in addition, a
29 list sir of Dr. Clayton's professional activities,
30 community activities and research activities and I

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1 would propose that they be tabled.

2
3 Moving to you, Mr. McCombs,
4 if I could please, you received your M.A. in Clinical
5 Psychology from Bradley University, is that so?

6 WITNESS MCCOMBS: That's
7 correct.

8 Q And you're currently
9 the Regional Supervisor for Mental Health Services,
10 Northern Region, Alaska Division of Mental Health?

11 A That's correct.

12 Q And you've held that
13 position since 1968.

14 A Yes.

15 Q And prior to that your
16 work experience included your experience as a Staff
17 Psychologist, Peoria State Hospital, Illinois, Director
18 Maximum Security Unit, Peoria State Hospital, Illinois,
19 Director, Day Hospital Programme, Peoria State Hospital,
20 three years in private practice and two years as
21 Assistant Training Director at the Peoria State Hospital.

22 A That's correct.

23 Q And you have a number
24 of consultantships including consulting to the Illinois
25 State Police, the Alaska Mental Health Association,
26 Fairbanks Council of Churches and Fairbanks Mental
27 Health Association and various regional native corpora-
28 tions throughout Alaska.

29 A That's correct.

30 Q Then, Mr. Forth, finally

1 you, you received your education primary and secondary
2 levels in Toronto, and I take it are a graduate from
3 Sir George Williams University in Montreal with a
4 Bachelor of Arts degree, a diploma in Association
5 Science from Sir Sir George Williams and you as well
6 are certified as a Y.M.C.A. Secretary.

7 WITNESS FORTH: That's correct.

8 Q And at present you
9 are with the Government of Canada Public Service
10 Commission in Yellowknife as Director of Northern
11 Careers.

12 A That's correct.

13 Q And I take it you're as
14 well the President of the Association that is making
15 this presentation. Prior to joining the Government
16 of Canada in your present position you were with the
17 Government of the N.W.T, Department of Local Government
18 in Yellowknife as Chief of Employment responsible
19 for establishment of the divisions, programmes and
20 policies, and you held that position for some four
21 years. And prior to that you held several other
22 positions with the Government of the Northwest Territories
23 and with the Department of Indian Affairs in Churchill
24 Manitoba.

25 A That's correct.

26 MR. GOUDGE: Those are
27 the qualifications of the gentlemen on this panel sir,
28 and I would propose that with Mrs.
29 MacQuarrie's consent they simply read their evidence
30 to you and then be prepared to answer questions.

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THE COMMISSIONER: Fine.

MR. GOUDGE: I don't know
sir, who Mrs. MacQuarrie had contemplated leading
off. I leave that in her hands.

MRS. MacQUARRIE: Mr.
Commissioner, Terry Forth will present the brief done
by the Northwest Territories volunteers and then he
will be followed by Dr. Clayton and finally Jack
McCombs.

THE COMMISSIONER: Okay.

WITNESS FORTH: Thank you,
Mr. Commissioner. Before getting into the substance
of our presentation, I would first like to explain
briefly the objectives and programmes of Mental Health,
Northwest Territories and inform the Inquiry about
the composition of our organization.

The Canadian Mental Health
Association, Mental Health, N.W.T. is one of the first
and is the only territorial wide voluntary organization
whose major concern is the problems of the mentally
ill in the Northwest Territories. In 1971 concerned
citizens in Yellowknife became alarmed at the increase
in mental disorders, marital breakdown, juvenile
problems, suicides and a complete lack of mental health
services to prevent and treat these problems. A
Steering Committee was formed and the Canadian Mental
Health Association provided the initial financial
support and expertise in the creation of our present
organization.

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Mental Health, N. W. T. was incorporated as a society on September 8, 1971. The objectives of the organization as stated in our charter are to ensure the best possible care, treatment and rehabilitation of the mentally ill and the mentally disabled, to strive to prevent mental illness and mental disability, to promote research into the causes, treatment and prevention, to predict and promote mental health and the execution of the foregoing to secure the support of the public and to co-operate with other agencies and associations, both professional and lay working in these and related fields; and to urge governments at all levels to take legislative and financial action to further these objectives.

In the five year history of our organization some of the activities and programs we have been associated with include a review of the Northwest Territories Mental Health Ordinance with a view to the creation of a more effective piece of legislation, the formation of an Interagency Committee in Yellowknife, to focus on the need for the co-ordination of facilities and joint adaptive planning; sponsorship of a seminar for delegates from across the Territory on the topic of "People and the Pipeline" in September 1975; publication of a directory of community services available throughout the Territories; Project Mental Health North of 60 Study, a survey of the mental health of selected Territorial residents; and the operation of the HELP Distress Centre, a crisis intervention, suicide prevention, information and referral program.

CLAYTON, B.C.

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1 The registered membership of
2 the Association is approximately 200 and our Board
3 of Directors is representative of the various ethnic
4 groups across the N. W. T.

5 A Committee of concerned Mental
6 Health volunteers collaborated in assembling the
7 submission we are making today. We would now like to
8 take this opportunity, sir, to thank the Inquiry for
9 providing us with a grant which was utilized by our
10 organization in sponsoring "People and the Pipeline",
11 a conference held last September in Yellowknife. This
12 conference was attended by a large number of members
13 and interested people from across the Territories.

14 Professionals experienced in
15 developments similar to the Mackenzie Valley Pipeline
16 joined us from Alaska and Fort McMurray.

17 Many of the points raised in
18 our submission today were discussed at that conference.
19 We would also like to thank the Inquiry for making
20 funds available to bring in our expert witnesses who
21 will testify following. Sir, if I might make a further
22 word, just make a further word of appreciation here for
23 the hospitality that's been extended to Mrs. MacQuarrie
24 during the past few weeks and I believe she's taken a
25 fairly active role during the proceedings and we
26 appreciate that.

27 THE COMMISSIONER: She's
28 taken a very active role and a very constructive role,
29 if I may say so. I know all the other participants
30 agree.

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1 WITNESS FORTH: Thank you.

2 To us in the Association, sir,
3 Mental Health is far more than simply the absence of
4 mental illness. Mental Health refers to a quality
5 of life, one which is salutary and fulfilling, and one
6 in which the stresses and pressures which can lead to
7 the occurrence of mental illness are generally within
8 the control of the individual and the community.

9 We believe that the construction
10 of the Mackenzie Valley Pipeline has the potential to
11 provide several beneficial developments for the
12 residents of the Territories. But it also has the
13 potential to seriously erode many of the conditions
14 which lead to good Mental Health. The purpose of our
15 presentation today is to identify both the beneficial
16 effects and those with disruptive potential and then
17 to set forth our recommendations for mitigating these
18 conditions which could lead to a diminished level of
19 mental health.

20 As we see it, the positive
21 effects of this development are those which will
22 improve the capacity of individuals to exercise choice
23 over their own lives and to significantly influence
24 the environment in which they live. Conversely, the
25 negative effects on mental health will occur to the
26 extent that the pipeline reduces this choice and thrusts
27 unwanted development upon our residents.

28
29
30

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1 The following are some of the
2 positive effects which might occur during and following
3 hydrocarbon development and the construction of the
4 pipeline:

5 First, hydrocarbon development
6 should lead to improved economic climate in the Northwest
7 Territories, both within and outside of the petroleum
8 industry. This should result in increased career
9 choices becoming available for the people of the
10 Territories and a better potential will exist for our
11 population's vocational needs to be met.

12 Secondly, during the development
13 period, more and better services of all types will become
14 necessary in many communities and quite possibly will
15 be made available. Improved services could develop
16 in many sectors. Improved recreations, more readily
17 available consumer items, increased social and health
18 services, improved mental health services and
19 facilities are examples.

20 Three, transportation and
21 communication facilities will improve.

22 Four, energy may become
23 available at a more reasonable cost.

24 Five, the developing economic
25 infrastructure may lead to an improved tax base thereby
26 creating the opportunity for increased economic and
27 political control on the part of residents over both
28 the total territories as well as their own communities.

29 Six, the great expectations
30 for these improved conditions which has been created

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1 over the past few years will have the opportunity of
2 being met.

3 At the same time as these
4 benefits unfold, sir, we know that the traditional
5 scenario of rapid development has had many pitfalls
6 when it has occurred in other places throughout the
7 world. From the experience in Alaska and in other
8 developing areas, we anticipate that the Territories
9 will experience many growth related problems, which
10 in their total effects could prove devastating from
11 a Mental Health standpoint. With the pipeline time-
12 table being what it is, we expect the development of
13 a housing shortage of unprecedented magnitude. As you
14 may know the situation is critical at present without
15 the demand of hundred of job seekers. Overcrowding
16 is a definite contributor of mental health problems
17 and at the present time appears certain to increase.

18 The increased demand for
19 housing, goods and services will lead to additional
20 inflation within the Territories and we expect that
21 people on fixed incomes and pensions who do not or
22 cannot seek the higher paying hydrocarbon jobs would
23 be seriously affected. A great increase in the per
24 capita income is expected for many, but in the past
25 this has been a mixed blessing in the Territories,
26 as a large amount of the disposable income finds its
27 way to the liquor outlets and the attendant problems
28 with alcohol abuse inevitably follow.

29 The experience in Alaska, and
30 to a degree in the Northwest Territories has been that

1 problems escalate with these products of development.
2 Family breakdowns will increase as overcrowding,
3 alcoholism and work patterns develop where one or both
4 parents are away from home for lengthy periods of
5 time. Incidence of juvenile crime, child neglect and
6 abuse have risen dramatically in Alaska and in all
7 probability will do so here with the increased
8 pressures on the family.

9 The suicide rate in the
10 Norton Sound region of Alaska rose from 10 per
11 100,000 population in the period from 1960 to '64
12 to 270 per 100,000 in 1973 to '75. We can anticipate
13 a serious rise in the Territories as additional and
14 new stresses are placed on the individual. We are
15 informed that there are already signs of such an
16 increase.

17 If I might add, sir, we
18 understand that the Inquiry will be hearing more
19 specific evidence on this subject in the next few
20 weeks.

21 All of these problems will
22 contribute to an increasing demand for social services
23 which in many communities are already overtaxed and
24 understaffed.

25 The rapid influx of southern
26 job seekers and transients will create many additional
27 problems. An undesirable element can be found in any
28 such group and we're concerned about the consequences
29 of the increased utilization of drugs, a rise in
30 gambling, petty thefts and prostitution, which are sure

1 to occur as they have in Alaska.

2 The native people will be
3 particularly hard hit by these events. The financially
4 attractive hydrocarbon jobs will promote a shift from
5 the subsistence economy to the wage economy and during
6 the transition period, problems will range from
7 alcohol abuse to nutritional difficulties. Communities
8 will increase in size and the traditional native
9 methods of sharing with one and assisting one's
10 neighbour will decline with increasing impersonalization.

11 The competition of hydrocarbon
12 jobs will contribute to a leadership drain as the
13 more capable community members are lured into high
14 paying jobs. Essential services such as those provided
15 by municipal governments and the native organizations
16 will be hard pressed for manpower. We anticipate that
17 racial tensions will escalate as the native people are
18 increasingly pushed into a minority situation.

19 Many of the goods and services
20 which people expect will become available, at least
21 during the rush to develop will be in short supply due
22 to excess demand. There will be short run transportation
23 difficulties as present shipment priorities are changed.
24 It is conceivable in places such as Inuvik, Hay River,
25 and Yellowknife that schools will be forced to operate
26 on shifts, as has been the case in high impact centers
27 in Alaska.

28 Children will be forced to
29 cope with a new lifestyle, but cannot reasonably be
30 expected to do so without some adjustment difficulties.

1 Health personnel and facilities will have additional
2 workloads as the rise of communicable diseases, notably
3 venereal disease, increases, and industrial accidents
4 require increased attention.

5 For many persons in the
6 Northwest Territories, the quality of life which was
7 desired in making their homes here will be lost as the
8 congestion, noise and pollution of Southern Canada
9 accompanies development.

10 Sir, in asking ourselves the
11 question, 'How can these undesirable effects of
12 development be prevented', we invariably return to
13 our fundamental premise that good mental health is
14 likely is to be present in a situation where people
15 have reasonable control and choice over their own
16 lives and the ability to significantly influence the
17 environments in which they live.

18 It is truly unfortunate that
19 the residents of the Territories have not had the
20 choice of determining by referendum whether a pipeline
21 should be built. While recognizing that this central
22 question is not within the mandate of the Inquiry,
23 we feel obligated to say that this basic choice should
24 be open to us.

25 We are also obliged to speak
26 to a mental health problem which is attendant to this
27 Inquiry. In spite of your efforts, we believe that
28 excessive expectations have become attached to the
29 Inquiry, and that considerable misunderstanding exists
30 about the terms of reference under which the Inquiry was

1 to proceed.

2 A great many people believe
3 that the Inquiry will have influence beyond setting
4 limits and conditions upon the pipeline
5 construction. We have serious concerns about this
6 process, particularly if it happens that some of your
7 recommendations are disregarded and we hope and trust
8 that the many people who have come forward to address
9 the Commission are not put in the position of discovering
10 that what they believed to be influence was in reality
11 only illusion.

12 Sir, Mental Health/N. W. T.
13 first urges you to recommend the settlement of land
14 claims prior to the start of the construction on the
15 Mackenzie Valley Pipeline. The land claims are
16 essential to the aspirations of the native people of
17 the Northwest Territories and the attainment of an
18 equitable settlement is indispensable to the good
19 mental health of all Territorial people.

20 Second, the Association is
21 of the opinion that the existing timetable for the
22 commencement of pipeline construction is inappropriate
23 and furthermore, the period of time allotted for
24 construction is entirely too short to allow people to
25 accommodate themselves to the speed of changes which
26 will take place. Our position is that if the present
27 timetable is accepted as given, it would be a lesser
28 evil to have the entire operation conducted in
29 complete isolation of the people and the communities
30 of the Territories, than to experience the impact it

It's our belief that a great deal of the destructive impact can be lessened by adopting a timetable which allows for orderly less rapid development.

Third, we recommend that the Council of the Northwest Territories put in place a Community Mental Health Ordinance, modelled on that which is now in force in Alaska. This legislation should create an separate division of mental health services within the Territorial government to ensure that a continued and high priority is placed in the mental health area. The legislation which we advocate

1 would vest the responsibility and authority for the
2 development of mental health services in the communities.
3 The legislation would provide for liberal funding to
4 enable community groups and organizations to design
5 and operate broadly based adult education activities,
6 preventive and remedial mental health services and so
7 forth. Predominantly native communities would undoubtedly
8 employ people who spoke their own language and were
9 familiar with local mores and traditions.

10 The present system, which
11 seeks only native input into service delivery would
12 take a fundamental shift, that being to a professional
13 input into native service delivery.

14 An additional part of this
15 locally based system of mental health services would
16 be essential reporting and information system to
17 enable a quick response to problems arising in a given
18 area.

19 Again sir, my panel colleague
20 from Alaska is prepared to elaborate further on the
21 implications of this proposed legislation.

22 Fourth, mental health
23 facilities in souther centers, particularly Edmonton
24 and Calgary, must be improved to accommodate and treat
25 transients and pipeline workers who will be subjected
26 to stresses as well.

27 As a general principle, we
28 believe non-residents should be provided with services
29 outside the Territories near family and friends.

30 Sir, notwithstanding this recommendation, we recognize

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1 that some treatment just has to be carried out right
2 at the site, of course.

3 Five, measures must be
4 taken by government to discourage transients from
5 entering the Territories in search of pipeline jobs.
6 An extensive public education programme was met with
7 some success in Alaska and should be conducted in
8 Canada as well.

9 Six, various governments,
10 in training northerners for hydrocarbon jobs should
11 offer training programmes only for those skills which
12 are applicable in the operations phase. The possibility
13 of a bust following the construction boom must be
14 minimized.

15 Seven, we urge you to recommend
16 that law enforcement and security be done, either by
17 the R.C.M.P. or under the direction of the R.C.M.P.
18 within and outside the camps. We believe this essential
19 to the maintenance of order and justice during the
20 development.

21 Eight, persons on fixed incomes
22 must be protected by government, we recommend the
23 creation of an index guaranteed income for persons on
24 fixed incomes.

25 Nine, governments must pro-
26 vide additional money to organizations delivering
27 essential services to ensure that they are able to
28 keep salaries competitive with hydrocarbon jobs.

29 In addition to these
30 recommendations for government, sir, we recommend that

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1 you consider the following terms for the companies and
2 their immediate contractors who will be participating
3 in the development. First, the companies must consult
4 with the communities before final decisions are made
5 concerning the siting of camps and staging areas.
6 Community Councils must have the right to specify
7 whether and under what conditions camp personnel may
8 visit particular communities.

9 Secondly, the companies
10 must make provisions for screening out undesirable
11 southern employees and persons who might have difficulty
12 adapting to the northern working environment. In
13 this regard, the psychological and medical testing used
14 for DEW line personnel might be a model for application.
15 Southern hires should be provided with an orientation
16 programme to ensure they have a sensitivity to the way of
17 live in the N.W.T., prior to taking employment.

18 Third, local hires must be
19 given preference in the construction phase jobs where
20 skills acquired might be transferrable to the operating
21 phase.

22 Fourth, an obligation must
23 be placed on the companies to blue ticket southern
24 employees who leave their employment or are fired.

25 Five, the companies should
26 provide an orientation programme for locally hired
27 people to ensure they are aware of the working and
28 living conditions they will face in pipeline camps.

29 Six, rest and recreation
30 periods must involve the mandatory repatriation of the

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1 worker to his point of hire, whether that be within
2 or outside of the Northwest Territories.

3 In summary, sir, these are
4 the recommendations of particular interest and concern
5 to our organization. While we do not for a moment
6 believe that they will alone will prevent disruption,
7 but if enacted, they have the potential to alleviate
8 some of the foreseeable problems.

9 Our final concern is that
10 the terms and conditions which are established, whatever
11 they may be must be administered and enforced if they
12 are to be effective at all and the Association believes
13 that you consider recommending the creation of some
14 authority, person or persons, perhaps an agency of
15 Parliament, which would have the expressed purpose of
16 ensuring that all parties honour their parts of any
17 agreement which are made.

18 This agency should have a
19 well defined mandate and wide-ranging powers, including
20 the capability of halting construction should it
21 become necessary.

22 Dr. Clayton will now present
23 his evidence, Mr. Commissioner.

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1 WITNESS CLAYTON: Mr. Justice

2 Berger, thank you for giving me the privilege and
3 opportunity of appearing before this Inquiry. I hope
4 that what I say may be helpful to you. I bring it and
5 say it in the form of a paper entitled "To ensure the
6 best possible care, to protect and to promote mental
7 health." These are taken--these words are taken from
8 the objectives of the Northwest Territories Mental
9 Health Association.

10 As a Canadian from Burlington.
11 Ontario, I bring no northern experience or knowledge.
12 My training and experience is in the treatment of
13 people who have been labeled as mentally ill and in
14 addition, during the last five years particularly, I've
15 been involved in the study of how this treatment is
16 provided particularly through government health
17 departments. In other words, the study of mental
18 health service delivery systems and also in the study
19 of the much broader mental health field.

20 With this background, I bring
21 comments on the nature of mental illness and secondly,
22 on the principles involved in planning effective
23 treatment and rehabilitative services for those who
24 do break down, have illnesses or become casualties and
25 thirdly, I will comment on a few aspects of programs
26 which are designed to protect and promote the mental
27 health of people and communities.

28 The brief read by Terry Forth
29 and prepared by Mental Health/Northwest Territories
30 has commented on all three areas. I will be supporting

1 and illustrating some of the points and recommendations
2 which they have made. I bring only one additional
3 recommendation myself and this I underline now. Old
4 models must not be transplanted. I mean simply that
5 models of service delivery, of building facilities,
6 of grouping people together for treatment and
7 rehabilitative services used in the South should not
8 be transplanted here.

9 Different communities and
10 different problems need completely different approaches
11 and programs. First, as introduction, I'll expand
12 a bit on the terms mental illness and mental health
13 services.

14 There are a host of
15 conditions and problems lumped together under the label
16 "mental illness". Some are illnesses and are rooted
17 in man's biology, his physical make-up. Some of these
18 have a similar incidence all over the world, regardless
19 of culture, social structure, et cetera. But others
20 of the conditions labeled as mental illness are not
21 similarly rooted in man's biology and his make-up as
22 much as they are in other things.

23 In the language of Lalonde's
24 White Paper on new perspectives on the health of
25 Canadians, many of the problems that become labeled
26 as mental illness are related more to man's life-style
27 and the environment in which he lives, than to his
28 physical structure.

29 Suicide attempts and the
30 illnesses where alcoholism contribute to the cause are

1 obviously in this latter category and both of these
2 are responsible for a high proportion of admissions
3 to mental health facilities in Canada. In fact, sir,
4 for men of my age group right across the country, the
5 major cause of admission to mental hospitals and
6 psychiatric facilities are problems related to
7 alcohol dependence.

8 Thus, it's because of the
9 importance of life-style and environment that the
10 people in the mental health professions become involved
11 with the patient's family, occupational, social and
12 cultural problems. Stresses in these areas of living,
13 which cause many illnesses, breakdowns or casualties
14 may be^a sudden and unexpected crisis in life or they
15 may be long-term and chronic stresses and problems.

16 Thus it is that the brief
17 of Mental Health/Northwest Territories concerns itself
18 with much more than the biologically rooted illnesses
19 which handicap perhaps three percent of the population
20 or less. Its concern is much broader. It includes,
21 as you have heard, things like family breakdown,
22 alcoholism, juvenile crimes, suicide rates, the
23 dependency of the aged and many other human problems.

24 For many who need help from
25 the social services, health services and mental
26 health services, the term casualty describes the
27 condition that they have much better than the word
28 illness. For the same reason, mental health services,
29 the way we help people who are casualties or need the
30 help, while an integral part of health care services can

1 no longer be planned separately or simply as a component
2 within the health care system. Mental health services
3 encompass or more correctly must be part of a wide
4 range of health, social service, educational and
5 correctional services.

6 This is implicit in much of
7 the brief that Terry has read. Let me quote briefly
8 some outstanding recent reports and studies in Canada
9 and projects which illustrate this:

10 The Celdic Report in 1970
11 focussed on children's mental health services in Canada.
12 This national study illustrated the folly of labeling
13 children and of establishing separate mental health
14 facilities or building separate empires for the treat-
15 ment of children labeled, be they for emotionally
16 disturbed children or children with specific learning
17 disorders or the children caught up in the juvenile
18 correctional systems.

19 I appended to the material
20 submitted to your hearing the first very readable
21 chapter of this report which I have in reprint form
22 here and I'd like to read from it, although it's
23 appended to this submission, just a few sentences.
24 From page 5 in chapter 1 of this rather lengthy report.

25 The main source through which
26 children normally are nurtured is the family. Tra-
27 ditionally we have regard it as the right and respon-
28 sibility of parents to care for their own children,
29 whether they have one child or twenty-one. Society
30 has made some efforts to share this task. Income tax

1 exemptions, family allowances are obvious examples,
2 but by and large, we in Canada, the study felt, have
3 done little to assist and support parents in the
4 important responsibility they carry for us and for
5 society.

6 In the past, mental health
7 professions have tended to treat families as they have
8 treated teachers, both were made to feel that they
9 couldn't help the handicapped child or the troubled
10 child nearly as much as the specialists. Another
11 sentence from that report:

12 Where government responsibility
13 is involved in helping the emotionally disturbed
14 children, the services are usually provided by different
15 departments; Education, Health, Welfare, Corrections,
16 with funds coming from different levels of government;
17 Federal, Provincial, Municipal, private services are
18 organized in a haphazard way and funds come through
19 a multitude of channels and only one word applies to the
20 situation of the way the systems are organized to
21 help children and that word is chaos.

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Many people involved in this lengthy study go on to say we're convinced that our way of providing care must be reshaped to put the child at the center, and the final quotation from this first chapter of that report:

"We are convinced that with the best intentions in the world it is impossible for someone sitting in Ottawa or in a provincial capital miles away to decide what is best for any individual child, the state makes a poor parent. The decisions that effect how we will meet the child's needs can be taken only in his local community, where he is viewed as a human being."

THE COMMISSIONER: That report emphasized -- I recall reading passages from it myself in the past, emphasized that providing support for the family unit itself is perhaps more productive in terms of the setting it offers to the child, than spending all of your money on institutions and institutional care and removing the child from his family to the institution. I think that report was responsible for turning thinking around to a great extent in that respect.

I hope I'm thinking of the same report.

A Very true, exactly.

It confirms the fact that parents and teachers are the first and most important

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1 helpers. In 1971, Brian Brett's article on mental
2 health care for children also addressed the importance
3 of education policy in helping children and in fostering
4 good mental health. He saw in the school curriculum
5 the promise of change, he was writing about children
6 in the Arctic. Like Glasser who's written a great
7 deal about this recently, he hoped for an educational
8 system which would not create losers and failures.

9 In 1971, just another recent
10 Canadian study supporting the importance that local
11 decisions must be made about the sort of facilities
12 and systems here. In 1971, Quentin Rae-Grant's study
13 of mental health facilities for children across Canada
14 describes some abysmal, isolated and destructive settings.
15 That study is living proof that old models must not
16 be transplanted. It also convincingly describes some
17 of the principles that dictate the planning of effective
18 treatment and residential programmes for children with
19 emotional disorders.

20 For your information I've
21 also appended a 1974 American article on the issues and
22 approaches in child psychiatry and I feel -- allow
23 me, I'd like to read just a sentence or two from this
24 article which is appended to the brief.

25 This article summarizes
26 presentations from the 20th annual meeting of the
27 American Academy of Child Psychiatry and David E. Basilon,
28 Chief Justice of the United States Courts of Appeal
29 for the Districts of Columbia is an Honourary Fellow
30 of the American Psychiatric Association. He's also

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1 one of psychiatry's most vocal critics and he addressed
2 that assembly and is very knowledgeable in the field.

3 He discussed the plight
4 of mentally and emotionally handicapped children,
5 primarily the children of the urban poor, who wind up
6 in the juvenile courts and institutions in the States
7 and for them society's promises of treatment and
8 rehabilitation he described as illusory deceptions.

9 "What can child psychiatrists do to help
10 such children?" "Your greatest contribution,"
11 Judge Bassilon declared, "is to be brutally honest
12 in loudly proclaiming that you do not have
13 either the knowledge or the tools or the
14 wizardry to wipe out the afflictions of
15 children in our communities and institutions."

16 He emphasized that child
17 psychiatry must not repeat the mistakes made by adult
18 psychiatry and skipping over, just to come to the
19 final sentence, he said that,

20 "efforts to alleviate the problems arising
21 from socio-economic factors, efforts to
22 alleviate them by the psychiatrist would
23 be doomed to failure."

24 Obviously, not the child or the symptom but the socio-
25 economic factors must be the target of intervention
26 if children are to be helped.

27 Going on, mental health
28 services must be integrated, must be an integrated
29 part of all health and helping services. The overriding
30 importance of the integration of all helping services

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1 is also illustrated in another recent Canadian report
2 to the Solicitor General, and this report you may know
3 sir, entitled, "Young Persons in Conflict With The
4 Law". This Canadian report emphasizes the indispensable
5 requirements of planning to be on a local and community
6 basis with local and community resources. It is speaking
7 of how our society helps the disturbed kids who get
8 in trouble with the law.

9 I choose to give it special
10 mention here for three additional reasons. It convincingly
11 describes the finding that courts deal with, first of
12 all, emotionally disturbed youth who are not served
13 by other helping services.

14 Secondly, it illustrates the
15 importance of mental health services in any community
16 and to these children and it describes the necessity
17 to divert young people away from costly and often
18 damaging correctional processes into more relevant
19 helping processes but successful diversion depends on
20 wide use of a host of local resources, and in the many
21 pages of that report, as it discusses the screening
22 bodies, the role of police etc., the importance of the
23 local helping, the traditional helping resources is
24 constantly emphasized as is the need for local decision
25 about how they are used by the many people involved.

26 In expanding on the nature
27 of mental health services thus far, I've stressed the
28 overriding importance given to their planned integration
29 with other health and social services and where children
30 are concerned, with the educational system. My examples

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1 also stress the importance of the family and the natural
2 helpers and the necessity for local participation in
3 the planning and operation of these services.
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1 Several provinces have moved
2 a considerable way in developing models for community
3 and regional participation and for the local integration
4 of services. I think too, sir, this reflects your
5 comment, that the Celdic Report was partly responsible
6 for changing thinking around so that new systems of
7 helping began to be developed in different provinces.

8 As examples: In Ontario,
9 the Mustard Report describes in detail a plan to ensure
10 local decision-making. I simply mention this because
11 the recommendation in the Northwest Territory brief
12 that there be local decision-making. The Mustard Report
13 is a health care plan. I needn't describe it here.
14 You're familiar with British Columbia's pioneering
15 in terms of local human resource councils so that
16 important decisions about service delivery are made
17 locally by the people involved, including the consumers.

18 You are perhaps familiar with
19 Quebec's community service centers and with Manitoba's
20 single unit delivery system. I would like to quote
21 also in support of the need for integration. Jacques
22 Pigeon of Quebec, he is the person primarily directing
23 and responsible for the delivery of Quebec's provincial
24 health and social services and he's made a very clear
25 statement regarding the importance of their integration.
26 I quote it now because my earlier reference concerned
27 children and youth services but the same principles
28 apply at all ages.

29 He said,

30 "In our community centers", and he's talking about

1 Quebec, "we see a health team approach, not a mental
2 health team approach. The multi-disciplinary group
3 should give all primary care. Central in that group,
4 of course, is the nurse, with the psychiatrist viewed
5 as a consultant. Then he went on to say,

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8 "What can a psychiatrist do for an unemployed
9 father of six who has bronchitis, probably
10 because of poor living conditions, and is deeply
11 depressed? Is this a mental, physical or social
12 problem? You know the answer. It is all three".

13 That's a quote from Quebec.

14 I also live in an area of Canada where local parti-
15 cipation is urgently needed and being developed and can
16 speak to the fact that local planning must not be by
17 the professionals or by the professionals alone.
18 Consumer participation is essential. Where many of
19 the consumers are of or from a different culture, the
20 evidence that old models don't work is again convincing.
21 I'll only quote one little bit of the evidence and this
22 is from the Canadian Journal of Public Health and an
23 article of the Health of Indians on the Hudsons Bay
24 Railway and this on quotation:

25 "The fact that these people have poor health,
26 poor hygiene and poor health care despite the
27 available facilities implies that the fault
28 lies within the system for the delivery of
29 health care, including health education".

30 Thus, there's overwhelming

1 evidence supporting the need for local and consumer
2 participation in the planning and delivery of services.
3 The other side of this coin is the accepted principle
4 that the person needing help can best be served in his
5 or her own community be those who know and can under-
6 stand the personal, family, social, occupational and
7 cultural stresses that must be overcome. The stresses
8 be they recent and acute or long-term and chronic that
9 have caused the casualty state.

10 For too long here, I'm told
11 that northerners were shipped out but good treatment
12 demands that those who treat know the person and that
13 the person be treated where he lives. By the same
14 token, as a transient in Yellowknife today, I hope
15 that I will be helped safely home to Burlington for
16 treatment and rehabilitation if I become a casualty
17 before the day is over. This too supports one of the
18 recommendations made by the group.

19 THE COMMISSIONER: As long as
20 they ship me home to Vancouver.

21 A Most of
22 all, moving on to the next point, primary preventative
23 programs are needed in mental health. Primary
24 prevention there is really a medical jargon a bit.
25 It means real prevention of--prevention of emotional
26 and mental disorders occurring in the first place,
27 where a secondary prevention is a term used wherefor
28 emphasizing early detection, early recognition of
29 disturbed emotional states and ensuring good treatment
30 and tertiary prevention refers to helping people who've

1 had breakdowns or who have had symptoms improve and
2 not get worse or not have further breakdowns, but
3 primary prevention; that's the very basic prevention
4 of emotional and mental disorders.

5 Primary preventative programs
6 are needed in mental health. This is the title of
7 an article by Gottlieb describing some such programs
8 in his corner of Canada and the photocopy is appended.
9 I won't read from it. I'll comment on it though and
10 it's with the material given to you. In this article
11 he lists several strategies by which groups, professional
12 and community groups like mental health associations
13 can get in the business of primary prevention. He's
14 describing strategies and programs in Guelph, Ontario
15 and like models of mental health services, I expect
16 you'll agree that these programs should not be trans-
17 planted to this region anymore than the treatment
18 programs of the types and models for facilities should
19 be transplanted.

20 He speaks of parent effectiveness
21 training, very fancy word. Groups to help people with
22 marital problems, career and vocational counselling is
23 a method of preventing illness. He also describes in
24 that article programs within the classroom, programs
25 that involve citizens in community development programs
26 and in volunteer work.

27 In think that later either in
28 this presentation or in the question period afterwards,
29 my colleage from Alaska will be able to describe some
30 preventative programs more specifically applicable to

1 the northern regions, largely because they're from
2 Alaska and might well apply sometimes to Northwest
3 Territories as well.

4 So, although the program
5 itself should not be transplanted, some of the principles
6 can be and they're the principles of community
7 involvement. The community must be involved in any
8 preventative program, of parental involvement, of the
9 school's involvement. These are clearly necessary for
10 success.

11 Preventative programs which
12 enhance the mental and social health of communities
13 can take many forms. In concluding, let me illustrate
14 this by enlarging on other comments made in the brief
15 from Mental Health/ Northwest Territories. A specific
16 problem in all of Canada is alcoholism. Currently,
17 there is considerable Federal thrust aimed at both
18 primary and secondary prevention of the mental and
19 physical disorders related to alcoholism.

20 We've been hearing about a
21 new public education program designed for all of us
22 and the possibility of further restrictions of media
23 advertising in the alcohol industry. For some time
24 in Ottawa, where I have colleagues, the non-medical
25 use of Drugs Directorate has been in the field
26 federally as have many provincial governments and
27 the Northwest Territory authorities been in the field
28 of understanding and preventing problems.

29 The Association brief describes
30 possible future problems that "will range from alcohol

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1 abuse to nutritional difficulties." In reading their
2 brief I was reminded that the article by Jerry McLeod
3 a Saskatchewan status Indian, and Stanley Clark, a
4 sociologist, which began with this sentence:

5 "The story of alcohol abuse and the native
6 peoples of this continent is one of manipulation,
7 high pressure, salesmanship and deceit".
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After some alarming statistics in the discussion of the theories, that particular article, it was in the Journal of Canadian Welfare, it goes on to emphasize that we are what we eat and it ends with these sentences that "The most promising course would be one that combines proper diet, vitamin supplementation and reduction of stress. The most difficult aspect of that, they conclude, is minimizing stress because it involves more than the individual and the doctor, it involves the entire social system, dominant group attitudes and the cultural re-integration of native people."

I quote this and I describe this statement as an example of a well established rule about preventative programmes. Preventative programmes in mental health are not like those for smallpox. There's no vaccine that protects our mental and our social health and almost invariably the workers who get into the work of prevention find that they must become involved and influence the lifestyles and the environment of people and in all parts of this continent, one can find examples of programmes where the social system itself becomes the only practical place to begin work.

26 This conclusion is shared
27 by Ron Draper Director of the Non-Medical Use of Drugs
28 in Ottawa and ⁱⁿ one of the publications of that directorate
29 they describe how priority had been given by the govern-
30 ment to alcohol related problems such as motor vehicle
accidents and their prevention, work problems, assault,

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1 suicide, family disruption and chronic health problems
2 related to alcohol and they fund, with their several
3 millions of dollars, programmes from one end of the
4 country to the other and from the south to the top of
5 the north.

6
7 But the many projects which
8 they fund across Canada, aimed at these specific
9 problems from motor vehicle accidents to chronic
10 health problems and monitored by the directorate, almost
11 inevitably lead the workers into community organization
12 methods and into an attack through community arousal
13 and community programmes on the problems, not of
14 alcohol alone, but of social structure, unemployment,
15 social stress.

16 Another aspect of preventative
17 programmes is that of public education. The brief
18 speaks of broadly based educational activities here.
19 One is reminded of the words Magrowski and McPhail in
20 another article, the potential of the mass media to
21 inform, educate and motivate should not continue to be
22 wasted and abused rather it should be utilized as an
23 integral part of a system designed to deliver better
24 health care.

25 One is also reminded, I was
26 reminded of Ontario's commission on violence in the
27 communications industry, chaired by Judy La Marsh and
28 the alarming evidence that she has marshalled that
29 we, that means all of us, we are what we see and hear,
30 just as much as we are what we eat and who our parents

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1 were. People's attitudes and perceptions often conform
2 to television depictions, even if these are distorted
3 images of reality. I quote this and bring it to you
4 in the hope that it might have some relevance in the
5 north. It certainly does where I live.

6 These two quotations illustrate
7 the importance of the media in educational activities
8 and in preventive programmes. Earlier in this paper
9 I stressed the importance of community and parental
10 participation, again local authority in decision making
11 is essential.

12 In it's description of the
13 degree of local participation recommended, in terms
14 of the mental health services in the Northwest Territories,
15 the Association brief, read by Terry Forth states,
16 that the present system, which seeks only native input
17 into service delivery should take a fundamental shift,
18 that being a professional input into native service
19 delivery and the same can be applied to preventative
20 services, I am sure.

21 Your Honour, I've brought
22 only one statement of my own. I hope I have helped to
23 confirm the soundness of the recommendations made to
24 you by the citizens who comprise Mental Health, Northwest
25 Territories.

26 Again, thank you for the
27 privilege of bringing these comments to this hearing
28 and they can be summarized in this way, there's a
29 remarkable opportunity but do not transplant southern
30 service models and methods, some southern systems work,

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1 more don't. Local people, local traditions, local
2 resources, local authority and local planning are the
3 essential ingredients for both effective services and
4 preventative programmes. The brief from Mental Health,
5 Northwest Territories forecasts the danger of escalating
6 problems. When your hearings end, may your final
7 recommendations ensure minimal escalation, ensure that
8 the casualties that do occur will receive the best
9 possible care and more, may your recommendations pro-
10 tect and promote mental health in this part of Canada.
11 Thank you.

12 THE COMMISSIONER: Yes sir.

13 WITNESS McCOMB: I would like
14 to first, express sir, my gratification to the Mental
15 Health Association to invite -- for inviting me to
16 participate in the hearings and thanking you for having
17 me.

18 I was told at one time that
19 it's not right to start out with an apology, I took
20 the request to submit a brief literally and I'm putting
21 the recorders on notice at this point that I may supple-
22 ment the outline that I submitted but it will be in
23 order.

24 My testimony today is my
25 own, as a resident of Fairbanks, as a practicing mental
26 health professional and as an employee of the State
27 of Alaska, who may or may not share specifically some
28 of the views that I state today, but by the same token
29 many of the recommendations that I will be making
30 have become an integral part of the operational philosophy

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1 and the practicing policy of the Alaska Division of
2 Mental Health.

3 As an eight year resident of
4 Fairbanks, I personally and professionally experienced
5 two boom periods, the oil discovery boom in 1968 and
6 1969 and of course the construction boom which began
7 in 1972, approximately around that time, which of
8 course continues.

9 It is my intention today
10 to speak to only some of the clear, social, psychological
11 and systems effects of rapid population growth, the
12 kind that you may expect if a pipeline's built in
13 the Mackenzie River Valley.

14 Having visited Yellowknife
15 in the Northwest Territories, approximately a year
16 ago, it became apparent to me that there were some
17 very striking similarities between our respective
18 situations but by the same token, there were some
19 very significant differences. Some of those differences
20 being alarming in nature, some of them being somewhat
21 reassuring.

22 Some of the similarities,
23 of course are quite obvious, the size of the country
24 involved, the relative lack of development, a frontier
25 character, that kind of values individual initiative,
26 divergent lifestyles and value systems between
27 your native population and whites, the lack of consensus
28 about pipeline and the effects of the pipeline, there's
29 also -- I sensed a year ago, I sense it even now, a
30 growing feeling of impotence regarding the decisions

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1 about the pipeline and some beginnings of polarization
2 in Yellowknife about pipeline issues.

3 Those are the similarities;
4 some of the differences, as I see it and maybe somewhat
5 naive in terms of my lack of familiarity with your
6 situation, the first difference is that I sense that
7 the decision making power regarding the pipeline is
8 one step further removed from the people than in Alaska.
9 Another difference is that communities are of relatively
10 smaller size and hence, lack sufficient elasticity
11 to absorb sudden population growth. There are also
12 fewer adjacent or accessible fallback communities
13 to absorb population that the pipeline corridor
14 communities can't. Another difference is the lack
15 of a historical boom orientation or mentality in your
16 smaller communities.

17 As an added note, Fairbanks
18 sort of has a history with pride of being a boom and
19 bust community. First it was the gold rush, of course,
20 back in the early 1900's then there was the wars and
21 we kind of look with pride with -- you know, it's either
22 feast or famine.

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1 The greatest differences, of
2 course, that I have detected at this point is the mere
3 fact of the meeting of this Inquiry which is providing
4 opportunity for a wide range of input, not only that
5 which is politically and economically expedient but
6 of input from a wide variety of people with a wide
7 variety of concerns.

8 This Inquiry itself provides
9 an opportunity for reflection and inspection and
10 appreciation of various value systems and hopefully,
11 some darn good planning. Those of you who are aware
12 of the Alaska situation in the early 1970's may recall
13 the planning for pipeline construction contingencies
14 was extremely difficult. Part of this was due to the
15 privacy of negotiations between the pipeline companies
16 and the state.

17 Much of it, however, was due
18 to the State's apparent reluctance to plan for and
19 thereby acknowledge negative social impact in the face
20 of growing opposition to the pipeline. Manpower
21 projections and timetables were so contradictory from
22 day to day that they were absolutely useless as
23 planning devices. What few baseline planning figures
24 that were provided by government or the pipeline
25 companies were contradicted the very next day by
26 empirical local experience.

27 Little information was
28 available beforehand regarding what types of social
29 or medical services would be provided directly by
30 pipeline contractors and how much reliance would be

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placed on the public sector for services. Even when the data was provided, the growing sense of distrust about the pipeline companies and government resulted in a mistrust of the data that was offered; Catch 22.

Perhaps the most galling phenomena to many was their expressions of concern about social impact and human values were met with smiling, rosy commentaries about the economic future of the state, tax bases, employment rates, etc., and completely ignored the issue of human values and such basic questions as why we live where we do and in the way we do. Granted, these issues of value are by definition individualistic and lack the quantification of projected mill rates, economy and so on but values a very real phenomena and certainly the most real part of any of us and we live with them every day.

As an aside, I'd like to say that one of the basic principles that kind of underlies my comment here is that most of us are basically where we want to be and I think that that's a principle of mental health and by that, I mean we have struck some sort of reasonable compromise between the values in our lives that allows us to be where we are. I'm sure that many of us today in coming in struggled with the value about being outside in a beautiful fall day or being inside in a murky room.

This is basically a human value kind of judgment. More realistically, I suppose, and I think it's especially true in the North. Many of us have struggled with our need to be individualistic,

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1 on our own, independent, but at the same time to be
2 responsible to families, to jobs, to our communities
3 and so on.

4 The point I'm making is that
5 there is no way we learn in first year high school
6 physics that we can be at two points at the same time.
7 We are always compromising. This is true not only with
8 us in our day to day lives now but becomes especially
9 evident when changes of a substantial nature are
10 confronted.

11 Against the background of
12 vague and/or contradictory data from both the pipeline
13 companies and government, this economic approach to
14 human value questions fostered a growing sense of
15 resentment, mistrust and apprehension in the community
16 that was further accelerated by ineffective efforts
17 to plan for the social contingencies of rapid
18 population growth. In this climate, pipeline con-
19 struction began and within a few short months, some
20 admittedly very meager data began to demonstrate some
21 specific trends in a variety of psychological and
22 social phenomena.

23 The observations that I'm
24 about to offer are from three sources. They're observed
25 personally or they're observed professionally or they're
26 obtained from data compiled by the Fairbanks Northstar
27 Borough Impact Information Center and included in their
28 official public reports.

29 Unfortunately, the data that
30 is provided and this is one of the questions I want to

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1 ultimately address also; the data that's provided in
2 the impact reports is after the fact data. It has
3 no common baseline. It has no comparative value to
4 it because we did not even in Fairbanks have any
5 reasonable estimate of population growth, which is the
6 basic simple kind of baseline data that you need for
7 any kind of trend prediction.

8 I also, as I cite the certain
9 factors, do not attach any positive or negative value
10 to them, although many of these things that occurred
11 with empirically related. It's possible to demonstrate
12 a cause and effect relationship. First of all, we
13 began to notice a disproportionately high increase in
14 crime, both of a violent nature and against property.
15 There was a 43% increase in complaints, for example,
16 between 1974 and--criminal complaints between '74 and
17 '75. The divorce rate zoomed. It was constant until
18 approximately late 1973 and then it was up 25% and
19 another 38% in 1975.

20 Child abuse and neglect
21 experienced 179% increase between 1973 and 1974. Mental
22 health casualties' ^{zoomed} This was demonstrated in hospital
23 data, our own data. Many persons asked us, did we see
24 any particular unique phenomena that occurred as a
25 result, mental health phenomena, that occurred as a
26 result of pipeline expansion or of pipeline impact.

27 In all frankness, we searched
28 diligently for such facts, we found none. We simply
29 found basically that as the community grew and community
30 stress and tension grew, that the mental health casualty

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1 rate went up in very individualistic ways but there
2 was no specific pipeline impact phenomena but it's
3 simply because the stress level was higher, precipitated
4 reactions in people who are already disposed, predisposed
5 toward a certain kind of symptomatology.

6 For example, Fairbanks
7 Memorial Hospital showed 108% increase in bed-days
8 between 1974 and 1975. A recent study down by the
9 Hospital Board, by some outside consultants, concluded
10 that psychiatric casualties presently are the third
11 highest reason for admission at Fairbanks Memorial
12 Hospital, preceded only by trauma and O. B. cases.

13 The Mental Health Clinic began
14 to immediately show a 40 to 50 percent average monthly
15 increase in admission rate. That, in itself, was not
16 too far out of line with population growth but when
17 you consider the fact there was also an increase in
18 the private sector capability, which basically served
19 people who had third party payers available, and we
20 have no data about that. So, we were just--

21 THE COMMISSIONER: Third party
22 what?

23 WITNESS MCCOMBS: Third party
24 payer. Insurance.

25 THE COMMISSIONER: Right.

26 WITNESS MCCOMBS: Primarily
27 from a union medical contract.

28 THE COMMISSIONER: The payers.
29 The payers threw me off.

30 WITNESS MCCOMBS: Fine. Auto

1 traffic increased phenomenally. Juvenile arrests
2 increased 57% between 1973 and 1974, with a 75% increase
3 in a runaway rate. There was a severe housing crisis
4 resulting in outrageous sale and rental prices and
5 difficulty on the part of many to find housing. There
6 were inflated prices for many retail items and
7 occasional shortage of some goods.

8 Average income went up.

9 Employment was good for many of the previously
10 marginally employed and some chronically unemployed,
11 specifically the Alaska native and the handicapped.
12 For example, I found out of the clients I had at the
13 Mental Health Clinic, I had a couple of hands full of
14 people that I wouldn't have given you fifteen cents
15 for their eventual employability but as pipeline
16 construction got going, they found a particular position
17 with a particular union. These people have done
18 marvelously and frankly have exceeded my income
19 substantially for the last couple of years.

20 THE COMMISSIONER: That's
21 going some, I take it.

22 WITNESS MCCOMB: I'm not so
23 sure about that.

24 MRS. MACQUARRIE: Mr. McComb
25 is here as a volunteer and donating his time.

26 WITNESS MCCOMB: That's not
27 exactly true. I'm not donating my time. I am on salary
28 with the Alaska Division of Mental Health who sees this
29 as part of a normal kind of consultation service to
30 any government.

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In Chief

1 MRS. MACQUARRIE: I just knew
2 we weren't paying for it.

3 WITNESS MCCOMBS: Schools are
4 very overcrowded. Not as overcrowded as everybody had
5 expected but we're overcrowded to the point where, as
6 I'm sure you've heard before, there was a split shift
7 in the high schools, which I'm sure had some cause and
8 effect in relationship to the increased juvenile arrest
9 rate, but by the same token, youth employment was very
10 high and many kids for the first time had money to buy
11 ski lift tickets and to buy sweaters that they'd wanted
12 and that their parents thought unnecessary.

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1 Through increased, inordinantly
2 increased demands on the court and penal systems against
3 an escalated cost of living, fixed income persons,
4 experienced, in effect, a relative reduction. This is
5 particularly true to those persons fixed at a low
6 income such as many senior citizens.

7 There was a rather chronic
8 inability to conduct routine business, it was no longer
9 possible to drop over to the post office on your lunch
10 hour and mail a package, it involved a wait of about
11 a half hour to 45 minutes. You could no longer run
12 across the street to deposit your paycheque, the lines
13 at the banks sometimes had 20 to 50 people in them.
14 The same with the drug stores, all retail facilities.

15 The population, the increased
16 utilization of those normal kinds of business establish-
17 ments, the problems just contained in the increased
18 utilization was also accelerated by the fact that
19 many of the previous employees were taking pipeline
20 jobs and so the job turnover rate in the lower paying
21 jobs, clerk jobs and things of this order were exceptionally
22 high and so they had basically a lot of untrained people
23 who only exacerbated an already bad problem.

24 Recreational facilities and
25 areas became crowded. Guys began to complain that
26 their old fishing hole at the Chena River now he had
27 15 guys with cowboy boots standing around him.

28 There was a reduced demand,
29 at the same time for services from some public agencies,
30 especially those that were employment oriented. This

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1 was particularly true with the Bureau of Indian Affairs
2 Employment Division, the Office of Vocational Rehabili-
3 tation whose basic trade is helping and training people
4 with handicaps. There was a reduction in welfare
5 assistance payments which reflected the increased income
6 levels. They also reflected something else, in terms of
7 one of the borough impact reports, that even that many
8 people who had previously been able to maintain them-
9 selves on welfare assistance in the community, because
10 of the escalated cost of living could no longer live in
11 Fairbanks and so left and so that was one of the reasons
12 for the decline in welfare assistance.

13 At the same time, there was
14 an increased demand for services from other agencies.
15 The Mental Health Clinic, the employment offices,
16 juvenile probation officers, the juvenile intake officers,
17 the Fairbanks Health Center, which is the city health
18 center, reported 10,000 more visits in 1974 than in 1973,
19 that's a lot of visits.

20 There was an imbalance because
21 of the first -- these first two factors that I mentioned
22 here, a reduced demand from some agencies and an increased
23 demand upon others. There was an imbalance of the
24 distribution of health resources and social service
25 manpower.

26 Another effect with some
27 solid contributing members of the community departed
28 and said it's not like it used to be, I'm leaving, but
29 by the same token, there were some people who probably
30 will stay in the community who will become just as

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1 solid and will become just as solid as those who left.
2 There was of course, an increase in construction and
3 business, there was a disruption in family structure
4 in many Alaskan native families who had largely been
5 living, some of whom on a predominantly subsistence
6 basis they got into a wage economy with resultant
7 breakdown in family lines and authority and responsibility.
8

9 Reducing the community respon-
10 siveness and state level responsiveness to the whole
11 issue of ~~imasse~~ of course, was that we were dependent
12 largely upon legislative appropriations and there's
13 basically a two year lag between planning and implimenta-
14 tion of programmes with the present legislative process
15 in the state of Alaska.

16 While all this is going on
17 there was a growing undercurrent of resentment and
18 alienation in the community toward pipeline workers,
19 this was expressed by a number of jokes and jibes about
20 yellow trucks, pointy-toed boots etc. There were a
21 number of nothing jokes and to sort of demonstrate
22 the very poor taste with which these were given, these
23 were on the radio where the disc jockey, the late night
24 disc jockey would say to the sound engineer, "Say Ralph,
25 you know -- what do you do when you see a pair of
26 pointy-toed tracks leading over a cliff?" and Ralph
27 would say, "I don't know John, what do you do?" and
28 John would say, "Nothing."

29 One of the biggest selling
30 bumper stickers in Fairbanks was one that said, "Happiness

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Forth
In Chief

1 is a Texan going home with an Okey under each arm."
2 Which was very quickly countered, of course, by some
3 pipeline people who took offense of that and had their
4 own bumperstickers that said the same thing, but the
5 bottom line was, "with \$60,000.00 in each pocket."

6 The point of all this is that
7 there was a growing sense of alienation and ambivalence
8 in the community about pipeline construction activity.
9 There was a sense of exploitation, there was a sense
10 of resentment and a sense of alienation from the pipeline
11 construction process itself, which began to sort of
12 pair off.

13 I'm an oldtimer, there's old-
14 timer's and pipeliner's and oldtimer's are anybody
15 that / ^{have} been there more than a week who don't work for
16 the pipeline. And I don't mean that facetiously, it
17 does become ludicrous, but that's how a lot of these
18 things begin to demonstrate itself. The result of
19 this was an increased sense of tension and stress
20 in the community, a decreased sense of identification,
21 of many people with their community and it's resultant
22 problems.

23 This additional tension
24 stress was responded to in as many ways as there were
25 people. For some people it meant writing letters to
26 the editor, for others it was the formation of a
27 psychiatric symptom which needed hospital care or out-
28 patient treatment. For some it was lobbying for
29 regulatory legislation. For still others it was
30 starting a collection of yellow gas caps. Alyeska

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1 Pipeline Construction Company had the inordinately
2 poor taste of buying all their trucks in the same
3 colour so that they were identifiable and there were
4 a lot of -- of course, yellow truck and yellow truck
5 track jokes, but one expression of hostility was that
6 a number of -- I think it was probably youths, began
7 ripping off yellow gas caps and seeing who could get
8 the biggest collection. Well, needless to say, that
9 had to come to a halt at some point and it finally
10 came to a halt when it had ramifications for other
11 people, because the truckdrivers, in turn, began
12 stealing gas caps from other GMC and Chevrolet
13 vehicles around. That happened to me and I couldn't
14 get a gas cap for two months and when I^{finally} did it was
15 a chrome plated one for six dollars.

16 But, again these are the
17 kinds of things that begin to happen and I hope you
18 are beginning to sense the community climate.

19 There was a growing number,
20 against that background also of a growing number of
21 environmental accidents by construction companies,
22 some major, some not so. These were reportedly dealt
23 with by hush up -- reportedly dealt with by hush up
24 kinds of tactics by the pipeline and press. These
25 only increased public ire, and when combined with some
26 lack of clarity about which agency was responsible
27 for enforcement of certain pipeline activity, and
28 decreased government credibility even further and
29 reduced the already poor credibility^{of}/the pipeline
30 companies and in short, increased the feelings of

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1 impotence about the individual's environment and for
2 some his entire lifestyle.

3 Many people began to complain
4 as I mentioned before, about the changing character
5 of the community.

6 Even the best planning, of
7 course, could not have avoided all of the above
8 phenomenon, but given adequate baseline data in honest
9 dialogue between pipeline and social planners, communities
10 would have been able to establish realistic planning
11 strategies that would have enabled a pro-active
12 capability rather than a purely reactive, close the
13 barn door, after the horse is out position.
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In Chief

Along these lines I would like to make several recommendations. Recommendation number one basically incapsulates the first six recommendations made by the Mental Health, Northwest Territories brief. I endorse those six, the first six recommendations.

Secondly, I think it's important from the standpoint of mental health if nothing else that there be clear undebatable lines of authority for all phases of pipeline construction including regulatory responsibility and enforcement. This I feel is necessary to give people a sense of trust in government, a sense of trust in what's going to happen to them and their environment. The unclear lines of authority had a variety of ramifications, Some of the biggest public outrage really has occurred when enforcement capability was unclear with sanitary regulations for example in many of the pipeline camps which had totally inadequate sanitation facilities.

These were known prior -- these were known by the state but it was very vague about who should enforce sanitation requirements. The enforcement responsibility -- well, a very good example is last winter they were making -- they were doing some river crossings and they wanted an extension date for blasting. It was very unclear about whether it was the Department of Fish and Game, whether it was the pipeline, the federal pipeline monitor or whether it was the pipeline coordinator's office who had authority to issue that. Of course, they got quarrelling amongst themselves.

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As a general principle the third recommendation is to establish some mechanism to allow local communities decision making power about health and social programs. I am speaking I guess at this point about developing some community mental health legislation that would really allow the power of design, implementation and control of social programs at the local level.

We have local people
designing local approaches to local problems. It works.

Clayton, McCombs, Forth
In Chief

1 It just works. A secondary recommendation that's in
2 keeping with the principle of local control is to
3 develop a coordinating body of all social and health
4 operational unit supervisors who are empowered to
5 temporarily shift or reallocate personnel, equipment
6 or funds in the event of program imbalance. Again
7 this is in an effort to coordinate the services.

8 A third subsidiary
9 recommendation is to create through legislative
10 appropriation social and health impact funds to be
11 distributed through application by special
12 representative council chosen by the electorate
13 consisting of both providers and consumers from
14 pipeline corridor communities.

15 Perhaps my fourth
16 recommendation has the highest priority of all at this
17 point.. That is to immediately establish an information
18 system regarding health and social services casualty
19 data and community social parameters including divorce
20 rate, suicide, juvenile arrests, school drop-out
21 rates, etc.

22 I think an information
23 system is more than after the fact recording of certain
24 events. I think an information system needs to have
25 a constant read-in of population changes and to -- well, as
26 any competent information system would -- account for
27 changes in the recording baselines themselves, the
28 recording artifacts.

29 Fifth, I would like to
30 see every effort expended to assist government, local

Clayton, McCombs, Forth
In Chief

1 communities and oil companies to engage in a
2 collaborative planning dialogue. I feel that's
3 exceptionally important.

4 Number six, though I'm
5 not aware of all the legal ramifications of the native
6 land claims of the Northwest Territories, a prompt
7 settlement would obviously provide a structure in
8 social and economic baseline for this population that
9 will undoubtedly receive maximum impact from pipeline
10 construction.

11 Number seven, I would
12 like to see an interim funding mechanism established
13 to enable the immediate training of a cadre of
14 indigenous mental health paraprofessionals, rather
15 than waiting until pipeline impact, then starting
16 a training program and so on. It takes a couple of
17 years to get people trained. You need them whether
18 you have a pipeline or not and some of these recommenda-
19 tions that I'm making are perhaps in a sense are
20 irrelevant in terms of the pipeline but I think are
21 desirable and particularly important in view of
22 rapidly some changing social conditions.

23 In summary I guess the
24 three points I really have tried to make is that
25 human values are more valuable and longer lasting
26 than any short-term economic gains.

27 Secondly I think there
28 is a need to acknowledge and plan for social impact.
29 It's going to be there. And to immediately devise and
30 implement the data system.

1 Third, I would like every
2 effort expended to shift the locus of design, development
3 and control of health and social service programs to
4 the local communities.

5 Thank you.

6 THE COMMISSIONER: Thank you.

7 WITNESS FORTH: Mr.

8 Commissioner, that concludes our formal submissions
9 and on behalf of the Mental Health/N.W.T., I'd like
10 to thank you for the opportunity for this panel to
11 express our views and hope that you've found some-
12 thing of value in hearing our submissions. Thank you.

13 THE COMMISSIONER: Yes. Well,
14 I certainly did. We will adjourn for coffee and then
15 we'll ask a few questions, if we may. Before we adjourn,
16 just in case I forget, Mr. McCombs, to say so later
17 on, the Inquiry certainly appreciates the co-operation
18 that the State of Alaska has extended to us in making
19 it possible for you to appear here and in that same
20 spirit of good neighbourliness, we have had many
21 witnesses from Alaska, from members of the Governor's
22 cabinet to officials of the various social service
23 agencies in the State and we certainly appreciate
24 it.

25 Well, we'll just take a break
26 for a cup of coffee.

27 (PROCEEDINGS ADJOURNED FOR A FEW MINUTES)
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(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. GOUDGE: I think sir, we're prepared to resume. The order of cross-examination I think perhaps could be the same as yesterday. Mr. Steeves, of Arctic Gas.

MR. STEEVES: I have I think a few questions. I'd like to defer them for a few minutes if I might. I'm just doing some notes here.

THE COMMISSIONER: All right.

MR. STEEVES: Thank you.

THE COMMISSIONER: Can we move along and come back to Mr. Steeves on the second round?

MR. GOUDGE: Certainly, sir.
Mr. MacLachlan?

MR. MACLACHLAN: No questions.

MR. GOUDGE: Mr. Sigler?

CROSS-EXAMINATION BY MR. SIGLER:
Q I just have a few questions and they're all on the subject of the Alaska Community Mental Health Center Legislation, the Act of 1975. So, I guess it should be properly addressed to Mr. McCombs and first of all, Mr. McCombs, prior to 1975, how were the mental health services provided to the communities?

WITNESS MCCOMBS: Prior to the passage of this particular legislation, the State had the responsibility of directly providing services. There were no mechanisms for communities to request and participate in the development of services. All the mental health workers in the State, mental health

1 professionals were employed directly by the State.

2 Q Maybe I could just
3 interrupt there and ask Mr. Forth if he would comment
4 on how the services are provided now in the Northwest
5 Territories. What degree of local input is there now
6 here?

7 WITNESS FORTH: Well, first
8 of all, Mr. Sigler, I think it's difficult to get a
9 firm handle on what one might define as mental health
10 services but clearly the Department of National
11 Health and Welfare has the overall responsibility for
12 delivery of services and mental health services
13 specifically throughout the Northwest Territories.

14 At the local level, I believe
15 that in many communities there are advisory committees
16 that the Department has formed, usually working along
17 with the nurses, although we suspect that in most cases
18 the lack of continuity, of nursing personnel from year
19 to year and the fact that these committees are
20 advisory in nature and do not really have the
21 opportunity for significant input into the policy
22 development that they're largely ineffective.

23 Q So, the community health
24 policies are formulated by the Federal Government now?

25 A That's my understanding
26 and the policies basically are developed at the
27 Ottawa level.

28 Q Back to Mr. McCombs then.
29 In Alaska, prior to the passage of the 1975 Act, it was
30 done at the State level?

1 WITNESS MCCOMBS: That's
2 correct.

3 Q And then perhaps you could
4 just comment in more detail perhaps or more specifically
5 in what the 1975 Act did.

6 A The 1975 Act basically
7 created a twelve person state-wide advisory council
8 who act as a citizens group to advise the State
9 Division of Mental Health. The main thrust of that
10 Act, however, provided the mechanism for local
11 communities on their own, with the qualifications and
12 some sort of a representative governing board to come
13 forth with service grant applications to the state
14 which were then reviewed by that twelve man state-wide
15 advisory council and this enables the local communities
16 to design their own program in keeping with their own
17 local needs.

18 The predominant grant
19 applicants at this point have been different levels
20 of local government, cities or boroughs or the regional
21 native corporations who have representatives governing
22 health boards or mental health sub-committees of their
23 broader health boards who have designed and submitted
24 service grant application requests.

25 Q Well prior to 1975 the
26 communities in a sense of either the municipality or
27 the native boards were not involved
28 in the delivery of these--providing the delivery of
29 these services at all?

30 A That's correct. There was

1 no statutory means for interface between those two
2 groups. They've requested services over the years
3 but because they were always subject to, in a sense,
4 a state centered system and legislative appropriations,
5 they never got them; probably because they just didn't
6 have that many votes in these rural areas and that many
7 legislators and representatives.

8 Q But now they can apply
9 to the State board to receive the funding for whatever
10 facilities or programs that they want to provide?

11 A That's correct.

12 Q And is the entire funding
13 made available for these projects by the State level
14 or is there a strain put at all on the local community
15 to come up with their own--

16 A These are, as you have
17 undoubtedly noticed in the legislation, these are
18 matching grants. In the areas designated poverty areas
19 of the State, ^{which} in terms of our own Federal guidelines
20 are all but three of the urban areas in the State.

21 The percentage is 90% State
22 money. 10% local. But that does not have to be in the
23 form of cash. It can be in the form of matching
24 services. Many of the communities, for example, have
25 contributed equipment, space, the partial use of some
26 personnel and travel money that exists in other programs
27 that may complement mental health programs and so on
28 as their part of the match.

29 In the non-poverty areas, it
30 is a 25% local share. That frankly has been a little--

1 it's been pretty difficult to meet in some areas where
2 local government does not have health power. They
3 just simply don't have the cash flow to support the
4 kind of programs that are necessary in high population
5 density areas.

6 Q How do they determine
7 which communities are poverty or non-poverty communities?

8 A Those are established
9 by Federal guidelines and they change from year to year
10 and in all honesty, I do not know what the formula
11 is for that. It has to do with annual income.

12 Q Does it have to do at
13 all with the tax base of those communities? What I'm
14 thinking of here is that in the Northwest Territories
15 most of the communities are smaller than the ones in
16 Alaska and they don't have the tax base that cities
17 like Anchorage or Fairbanks have.

18 A No. I believe that there
19 are only four communities in the State of Alaska that
20 are non-poverty areas. Fairbanks, Anchorage, Juneau
21 and Ketchikan.

22 Most of our communities, in
23 terms of our rural communities, are the approximate
24 size of yours here.

25 Q And the ones that are
26 the approximate sizes of our communities here would
27 be classed as poverty communities--

28 A Right.

29 Q --and would only be
30 required to put in 10%?

1 A That's correct.

2 Q And that would not have
3 to be in the way of cash?

4 A That's correct.

5 Q Did the communities
6 themselves welcome the provisions of this Act or what
7 has their reaction been to it?

8 A Mixed. Some communities
9 eagerly sought mental health services where there had
10 been none before. Some communities took a much more
11 conservation approach and have elected to very slowly
12 develop mental health services and there's really quite
13 a contrast. If we look at the communities, about the
14 kind of programs they've been requesting on their
15 own, but again those are what the communities want
16 and it's a community mandate and we're buying into
17 that for a substantial amount of money every year.

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Clayton, McCombs,
Forth
Cross-Exam by Sigler

1 Q The point I'm trying
2 to raise with you is that what happens if a Community
3 Council in its wisdom or lack of wisdom decides that
4 it doesn't plan for -- it doesn't ask for funding
5 to provide these services, does the state still have
6 the power to provide services to the community if it
7 feels such services are required, without the involvement
8 of the local council?

9 A A variety of services,
10 in terms of emergency hospitalization and the normal
11 care of casualties would occur anyway. But that's the
12 kind of service that people were protesting for a long
13 time. Long distance services by consultants and
14 shipping people out, most communities don't want that
15 to happen.

16 Q What type of services
17 have been provided, say by some of the poverty
18 communities that would be of a similar size as the
19 communities we have here? What kind of programmes have
20 they initiated under this new legislation?

21 A In the last coupled
22 of years have shown a wide variety of different programmes
23 but the main trend seems to be in developing what we
24 call a bi-cultural treatment team approach and that
25 is by utilizing a traditionally trained, usually white
26 professional who works always, and I mean always in
27 conjunction and collaboration with a trained Alaskan
28 native. All treatment interviews, all diagnostic
29 interviews, any screening interviews, any kind of
30 community meetings are always attended by both of those

Clayton, McCombs,
Forth
Cross-Exam by Sigler

1 people. Neither one of them ever does anything on their
2 own, in a sense and that seems to be a very effective
3 approach in many communities.

4 Q And that's your reference
5 to the paraprofessionals in your last recommendation.

6 A That's correct, that's
7 correct. We found basically that there is no way for
8 a white professional to come into a community and
9 begin providing mental health services, people just
10 don't use them, they don't trust them, usually for a
11 fairly good reason.

12 Q Now, your fifth recommenda-
13 tion on page seven of your paper is to expend every
14 effort to assist government, local communities, and
15 oil companies to engage in collaborative planning
16 dialogue. Now, have the oil companies or the pipeline
17 company at all been involved in assisting and providing
18 these health services to the communities, in terms of
19 dollars or any other way?

20 A In Alaska, the Alyeska
21 Pipeline Service Corporation has funded an alcoholism
22 programme that has to do specifically with pipeline
23 workers. Needless to say, anytime you start dealing
24 with pipeline workers, you also end up dealing with
25 their families, so from that standpoint they have been
26 supportive of those kinds of programmes.

27 In terms of rural communities
28 themselves, they have not, to my knowledge, made any
29 direct contribution, even in terms of money or services.
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1 I think ~~that~~ one of the
2 things that I am referring to here, that I might clarify
3 is that the public sector, during the planning phases
4 of the pipeline were kind of left holding the bag as
5 to how much demand would be made on the public sector
6 for services for pipeline personnel. The pipeline
7 construction companies, needless to say, were in the
8 process of writing contracts with various people for
9 medical services and incidentally, I'd like at this
10 point to say that that has been an exceptionally
11 well carried out effort by the pipeline companies.
12 I think the medical care available to pipeline workers
13 has been extraordinarily good and there has been acceptance,
14 like emergency hospitalization and so on, there has
15 been a minimum impact probably on the communities
16 because of the the very good efforts of the pipeline
17 companies that have good medical care contracts, I'm
18 sure in a sense that has to do with the unions, you know,
19 as well.

20 The point is, we did not know
21 how far these contracts went, nobody was telling us
22 and probably the reason they were telling us was because
23 they were simply in private negotiations, you know,
24 to get the best deal they could where they could
25 and so it was an understandable situation for the
26 pipeline companies to be in. I don't know that there
27 was a definite withholding of information about it in
28 terms of some effort of being unco-operative, it was
29 just something that they could not share that information
30 and perhaps understandably so. My point is I think that

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at some point in time that information can be shared,
as to how many people are going to receive how many
anticipated services.

Q And that's your fifth
point that there's a need for public involvement in
those discussions.

A That's correct.

Q Including involvement
by the local communities.

A That's correct.

Q Now, still on that
fifth point of yours, earlier in your paper you described
all these phenomenon and you didn't comment whether
they were positive or negative but leave that for us
to decide, but those are Fairbanks phenomenon that
you listed there and I just wonder, how much advanced
planning did Fairbanks itself do, as a local community?

A As a community, very little
in any systematic way. I think some individuals in the
community that -- some of the local businessmen, suppliers
for example, seemed to have sufficient data to be able
to project their needs and plan fairly well, but because
of the vagueness and the lack of a data baseline about
human services, that's where the crunch came. We just
simply were not able to in any systematic way -- there
were a lot of horrible fantasies about what was going
to happen. Like most horrible fantasies, most of
them didn't come true all the way, but a lot of them
did partially.

1 Q But did Fairbanks, did
2 the borough or the actual city of Fairbanks make any
3 hard planning decisions in advance of construction,
4 did they try to anticipate at all themselves?

5 A The one thing that they
6 did anticipate and I think that was very successful,
7 although I do find fault with it, was establishing an
8 impact information center, which began to collect some
9 data but again, we did not have a good data baseline
10 to start with. We didn't even have any good way to
11 estimate population.

12 If we look at the population
13 estimates that are officially certified by the North
14 Star Borough, my guess is that they would be fairly
15 highly inflated because it has financial ramifications
16 in terms of revenue sharing, the more people you've
17 got the more money you have coming in.

18 I don't know how accurate
19 those population estimates are and I don't think anybody
20 else really does.

21 Q But you're saying the
22 lesson to be drawn is that the local communities should
23 be involved in the planning.

24 A Absolutely.

25 MR. SIGLER: Those are all
26 the questions I have sir.

27 MR. GOUDGE: Mr. Bayly?

28 MR. BAYLY: Mr. Commissioner,
29 I have I think between an hour and an hour and a half
30 and I'm prepared to begin now or I'm prepared to come

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1 back 15 minutes early and run through the cross-examination
2 as one unit after lunch, whatever suits you sir.

3 THE COMMISSIONER: Well,
4 we might as well adjourn now. It's been a full morning
5 and so we'll come back at 1:45 then, and gentlemen, if
6 you would return at 1:45 we'll carry on then.

7 (PROCEEDINGS ADJOURNED UNTIL 1:45 P.M.)
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(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

THE COMMISSIONER: Well, I think we're ready, ladies and gentlemen. So, Mr. Bayly, you can carry on with your questions.

MR. BAYLY: Thank you, sir. Gentlemen, I have questions for each of you but please feel free if you want to add anything to the answers that one of the other panel has given, to do so.

CROSS-EXAMINATION BY MR. BAYLY:

Q If I could start with you, Mr. Forth. You've given some evidence on the Mental Health Association of the Northwest Territories and I gather that it is--you say it is a territory-wide voluntary association with approximately two hundred members. Are the members largely located in the Western Arctic?

WITNESS FORTH: I would think in terms of just the population distribution, that would be true. A large number of our board members are, for example, from Yellowknife but certainly by no means exclusively from this area. We have board members distributed fairly equally across the Territories.

Q In terms of programs that you have going under way at present and have had in the past, have these been largely located in the Western Arctic or have they been spread over the Northwest Territories?

A Basically speaking, they have been in this area. We've had some efforts by some of our volunteers and board members in other

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1 communities. Notably in Frobisher Bay some attempts
2 were made in the last year or two to develop some
3 materials, some education materials in both English
4 and in Inuktitut that could be used in that area and
5 there have been other efforts but I think largely,
6 you know, most of our efforts have been in this area,
7 the Mackenzie.

8 Q Have any of your programs
9 been carried out the Mackenzie Delta and if so, could
10 you tell us about those?

11 A Excuse me just a moment.

12 Q Perhaps if Mrs. MacQuarrie
13 knows, she could inform the Inquiry. I would be quite
14 happy with that.

15 MRS. MACQUARRIE: Mr.

16 Commissioner, the projects that we carried out that
17 were territorial-wide and involved our volunteers
18 in the communities were the number of surveys we've
19 done since 1972 that were outlined on the reference
20 material in the brief that Terry presented.

21 In the Mackenzie area, up
22 until several months ago, we were running a HELP
23 Distress Center which accepted telephone calls from
24 any of the communities in the Delta and there was--we
25 were not successful in receiving funding to continue
26 at the level of operation that this program needed to
27 be kept at.

28 So, we have cut back on that
29 program very much and it's limited to daytime hours
30 and serves currently just the Yellowknife area .

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1 MR. BAYLY: I understand then
2 that it served the entire Mackenzie River Valley previous
3 to that. Is that correct, Mr. Forth?

4 WITNESS FORTH: To the extent
5 that that was feasible. It meant, of course, that
6 people had to call collect on long distance and
7 obviously the incidence of callers from broad areas
8 was less than from Yellowknife itself, but yes, it did
9 serve the whole area.

10 Q And am I correct in my
11 recollection that it did run previously at least two
12 shifts and perhaps twenty-four hours a day?

13 A I don't think we ever
14 ran quite twenty-four hours a day but certainly from
15 early in the morning through until one or two in the
16 morning. I think on occasion, weekends for example.

17 Q Is it your opinion that
18 there is a continuing need for this service on a
19 round the clock or almost round the clock basis?

20 A I think there's very
21 definitely a continued need and I think that need is
22 going to continue to develop and we're concerned, as
23 an association in fact, that if this program is cut
24 back any further and not funded or allowed to continue
25 it will be extremely difficult to resurrected it so to
26 speak at a future date.

27 Q All right. Does this
28 program provide people at the crisis center, if I can
29 call it that, that were able to speak to callers in
30 more than one language?

1 A Yes, on occasion. If there
2 was a caller that was unable to say speak English, then
3 efforts were made to get someone to the phone that was
4 able to communicate with that person in their own
5 language.

6 Q All right. And I take it
7 from the answer that you've given that the service
8 was as effective as could be expected, given that you
9 would have to call in collect from perhaps long
10 distance, it would be your wish to have crisis centers
11 located in more areas than just Yellowknife?

12 A I think so and I think
13 that would be in keeping with the general trend of our
14 evidence that we gave this morning, that this kind
15 of service would be more appropriate if delivered right
16 at the local level, right at the community level.

17 Q And this is what we would
18 call secondary preventative treatment or tertiary
19 preventative treatment?
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Forth
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1 A I think it would be
2 in the category of primary treatment, would it not,
3 Dr. Clayton?

4 WITNESS CLAYTON: Both.

5 Q Now you've stated that
6 your membership is made up of native and non-native
7 residents of the Northwest Territories, is it predominantly
8 native or non-native?

9 WITNESS FORTH: I'm not
10 sure about the total membership, we don't produce
11 statistics of that sort. We're just aware of the
12 fact that we do have a broadly based membership,
13 representative of all.

14 Q So you have more members
15 than the 200 registered?

16 A We feel we have a larger
17 membership than just the 200, that's right.

18 Q Do you have any concern
19 about whether the availability of your services is
20 made known widely throughout the various communities
21 or whether it's better known in Yellowknife and perhaps
22 some of the larger centers?

23 A I'm sorry, can you -- do
24 we have any --

25 Q Do you have any concern
26 about whether knowledge of the programmes that you have
27 has gone out to all the communities?

28 A I think we have a concern
29 generally speaking, about the -- not only the knowledge
30 of the Association and the programmes that we can offer,

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1 but also the knowledge generally in the field of the
2 prevention of mental illness and so forth. I think
3 that that, in a sort of educational sense would be a
4 major concern of the Association, yes.

5 Q Now, on page three you
6 have stated that in your opinion, the positive effects
7 of the pipeline could improve the capacity of individuals
8 to exercise choice over their own lives and to significantly
9 influence the environment in which they live.

10 Now, is it not possible that
11 it may be that the opposite effect could be achieved
12 by the very same project?

13 A Well, I think the
14 operative word in this particular passage is it has
15 the potential and I think depending on the way in
16 which the project is carried out, the kind of controls
17 that are established and the kind of programmes that
18 are put in place, it could go either way.

19 Q Now, we've heard from
20 Dr. McComb that the positive effects may include being
21 able to employ people who would otherwise be either
22 marginally employable or unemployable and I take it
23 that it is this kind of positive effect that -- among
24 others anyway, that you were talking about.

25 A Yes.

26 Q Now, you stated at page
27 four that transportation and communication will improve
28 and if I can invite you, based on your Alaskan experience,
29 Dr. McComb to tell me whether in fact, in Fairbanks it
30 was your experience that transportation and communications

1 did improve with the coming of the pipeline?

2 WITNESS McCOMBS: Communications
3 did not because according to our Municipal Utilities
4 System, a lack of real projection about population
5 increases, the amount of load that would be placed on
6 the phone system and the belated funding effects of
7 the city in terms of ordering new equipment.

8 There was a drastic impairment
9 of telephone services in Fairbanks until very recently
10 when they were finally able to install some new circuitry
11 that has really alleviated a lot of problems.

12 In terms of transportation,
13 I don't know that there was an improvement. I think
14 that there was -- there were certainly a lot more
15 transportation going on, but it's accessibility to
16 the consumer was questionable. For example, items
17 that we would order from Sears in Seattle that ordinarily
18 would take four weeks or so by boat, heavier type,
19 bulky items sometimes took three to four months because
20 of pipeline company priorities. That's what we were
21 told by Sears and Roebuck, anyway, that they did not
22 have shipping space for this sort of stuff.

23 Q All right.

24 A On the other hand, I
25 think that there has been a change in -- a positive
26 change that appears in terms of new road construction
27 and things of this sort that have alleviated some
28 of the traffic jams, things of that sort that were
29 originally present.

30 Again, you know, I think you

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1 always pay your price.

2 Q Right. You're indicating,
3 if I'm correct, on transportation, that the impact
4 was very great to begin with but that things may be
5 sorting themselves out now.

6 A That's correct.

7 Q And am I correct, Mr.
8 Forth, in reading your thinking that the net effect
9 on transportation and communications will be an improve-
10 ment?

11 WITNESS FORTH: Well, again
12 I think what we're trying to say, if you can go back
13 this is perhaps nit-picking, but you go back to the
14 bottom of page three, we've said, "the following are
15 some of the positive effects which might occur", and
16 I think the operative word is "might" and I think what
17 we're saying again is that the potential exists for
18 the possible improvement of transportation and communi-
19 cation facilities.

20 Q Right. Now on page
21 four, again under item five, you indicate that a
22 developing economic infrastructure could lead to an
23 improved tax base and so create opportunity for an
24 increased economic and political control on the part
25 of the residents of the Northwest Territories over
26 their communities and am I right in taking from this
27 item five your opinion that a precondition of economic
28 and political responsibility is the requirement of
29 that tax base?

30 A I'm sorry, can you just

1 elaborate a little bit on the question? I'm not sure
2 I understand.

3 Q You've said that there
4 will be a new economic infrastructure developing, that
5 may lead to an improved tax base, that may create
6 the opportunity for increased economic and political
7 control. Is it a precondition is what I'm asking you,
8 to gaining increased economic and political control
9 to have that tax base, in your opinion?

10 A You're asking me for
11 a personal opinion and I think under the present conditions
12 of developments as they occur, it would appear to
13 be, you know, a precondition.

14 Q So you're saying you
15 have to be economically strong then to have political
16 and economic control over your life?

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1 A That has been, you know,
2 again in my opinion, a pattern of development across
3 Canada and not necessarily one that I personally
4 support. I think that's what is behind this particular
5 recommendation and our point made in number five.

6 Q All right, because my
7 concern here is this that in other recommendations of
8 this panel it is that the community based decisions
9 should govern the delivery and availability of mental
10 health services among other things and if one has to
11 have a strong economic tax base to do this, it may be
12 impossible for some of the smaller communities to
13 achieve that. Can you agree with me there?

14 A Yes, I would agree.

15 Q Perhaps Mr. McCombs you
16 could tell us if in Alaska it was possible under the
17 Alaskan Mental Health Legislation to get community
18 input into the decision making on mental health services
19 without the individual community having to have a
20 particularly strong tax base?

21 WITNESS MCCOMBS: Yes, that's
22 correct. A strong economic tax base is not a pre-
23 condition of locally controlled services in any way,
24 shape or form. I think in part it depends on the kind
25 of granting mechanisms that are devised by governments,
26 the kind of local contribution that's called for or
27 required.

28 One of the necessities, of
29 course, is a community's or a region's capability to
30 devise and somehow initiate a representative governing

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1 board of some kind and I would see that as the basic
2 sort of condition under the Alaska statute.

3 Q Mr. Forth, when you were
4 concerned in your evidence for a stronger mental
5 health ordinance in the Northwest Territories, were
6 you looking for these kinds of terms or sections in
7 the ordinance to facilitate the ability of smaller
8 communities who might not otherwise be able to do so
9 to take over some of these controls?

10 WITNESS FORTH: Yes, I think
11 absolutely. I don't think that we would want to see,
12 you know, the condition of a strong tax base as being
13 necessary before they could move into these kind of
14 controls and maybe I should in some fairness here
15 point out that the pattern of local, development of
16 local government here in the North, particularly the
17 small communities, hasn't been entirely dependent on
18 the establishment of a tax base either.

19 THE COMMISSIONER: Your voice
20 trailed off there. You said the development of local
21 government in the North hasn't been on the--

22 A Hasn't been based or hasn't
23 been dependent on a tax base. For example, hamlets
24 may be either tax base or non-tax base. Perhaps people
25 representing municipalities would be able to speak to
26 that.

27 THE COMMISSIONER: No, no.
28 We've heard evidence about that but I just missed your
29 concluding phrase.

30 MR. BAYLY: Now, I gather a

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1 first step in that, in your opinion, is the transfer
2 of health services to the Territorial Government from
3 the Federal Government.

4 A That's right. I think
5 we're concerned here with a principle of local
6 responsibility for the delivery of health services and
7 I think we have in that recommendation--you're speaking
8 now about the recommendation on page eight?

9 Q Yes, I am.

10 A We're perhaps illustrating
11 that the provincial-type health services should be
12 transferred from the Federal Government to the
13 Territorial Government. That's a kind of principle
14 that we have, moving the responsibility closer to the
15 people.

16 Q Now, when you talk about
17 moving the responsibility, I would like you to clarify
18 whether you're talking about under the present kind
19 of system in the Territorial Government's jurisdiction
20 where everything but fiscal responsibility has been
21 transferred?

22 A Well, I think what would
23 be most important from the Association's viewpoint
24 would be to start to have some significant real input
25 at the local level into deciding on the nature of the
26 services that are delivered to them at the community
27 level. Now, I don't want to get hung up here with
28 mechanics and what can or cannot be achieved through
29 the structure of say the Territorial Government by
30 virtue--

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1 Q You're speaking in a
2 general way?

3 A That's right.

4 Q But you think locally
5 controlled groups, starting with moving health services
6 to the locality that needs them is a first step?

7 A Right, where they have
8 an opportunity to determine things like the allocation
9 of resources, for example,

10 Q Now, one of the things
11 that I was a bit puzzled by in your evidence is at
12 page nine. You say that the present system which seeks
13 only native input into service delivery would take a
14 fundamental shift and that being to a professional
15 input into native service delivery. The general
16 evidence that's been heard by this Commission has been
17 that native people don't have any or very much input
18 into any of the decisions that are made and this
19 seems to be a contradiction to that. Could you explain
20 that please?

21 A I'm not sure that we were
22 attempting to make a complete value judgment here on
23 the nature or at least how well the consultative
24 process was established but the way in which, you know,
25 I interpret what's here at least is that we attempt to
26 provide opportunities or at least opportunities are
27 provided for local people to become qualified to
28 deliver the services, whether that be on a professional
29 or paraprofessional level, at their local level.

30 Q All right.

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1 A I think what's happening
2 now is that there's some consultation perhaps going on
3 but then the real delivery is left to the outside.
4 Am I interpreting that right or would someone else
5 like to--

6 WITNESS CLAYTON: I think as
7 far as I read those lines, it means that the model at
8 the moment has some provision for input from the
9 consumer. I don't think the sentence says that this
10 is the ideal thing and it's working well or anything,
11 but the opposite would be what's wanted and when I
12 was referring to consumer input this morning, I said
13 that one or our best examples might not be the things
14 I was quoting from Southern Ontario, et cetera, but an
15 example from Alaska that Jack had told us about last
16 night and that the Commission might value it here today
17 as well as the learned Counsel, that illustrates what
18 is meant by professional input into the native system.

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1 Q Perhaps Mr. McCombs
2 you could tell us about that, is that the model you
3 were talking about this morning with the professional
4 and the paraprofessional that goes out into the community
5 whether it's native or non-native and the two always
6 working together?

7 WITNESS McCOMBS:

8 A Yes, I think there are
9 many, many, many examples I think the instance that
10 Dr. Clayton's referring to was related to a tragedy
11 in the village of Savoonga, a plane crash that killed
12 a number of people. Savoonga is located along an
13 island west of the Seward Peninsula.

14 Through the process of --
15 there's a mental health paraprofessional, they're
16 called family service aids, located in Savoonga
17 through this family service representative working
18 with the Village Council, the Village Council originated
19 a request with the mental health programme to come
20 over and hold their next training session there, of
21 all their professionals and paraprofessionals. They
22 went to the village about two or -- about three months
23 after the accident and held a two week long workshop
24 on death and dying and the greaving process and what
25 losses mean to people. With the villagers themselves,
26 the entire village attended, from little kids to
27 old, old people, providing really the data and the
28 grits for the mill, in a sense, for this workshop, and
29 this was not only a preventative, locally initiated
30 kind of programme in a sense, it was also of course,
a very active treatment process at the same time for

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1 the entire village.

2 Q And this, you say, was
3 initiated by the people of the village themselves --

4 A That's correct.

5 Q -- and organized by
6 their community mental health worker, if I can call it
7 that.

8 A That's correct.

9 Q And getting back to
10 your evidence then, Mr. Forth, what you're looking
11 for is not just consultation with native peoples or
12 white people in the community, but some kind of programmes
13 that may be initiated by them that can draw on professional
14 help in order to be implemented.

15 WITNESS FORTH: That's correct,
16 and the ability to implement it.

17 Q Ability meaning personnel
18 and funds.

19 A Right.

20 Q We've heard about the
21 positive things from Mr. McCombs on the mental health
22 legislation in Alaska and we've heard from you that
23 the Mental Health Ordinance of the Northwest Territories
24 does not provide the machinery to implement community
25 based services. Has the Mental Health Association
26 attempted to either redraft or make suggestions to
27 the Administration of the Territorial government with
28 regards to either a new ordinance or amendments to
29 the present one?

30 A At the present time

1 we haven't specifically addressed the problem or the
2 proposal that we're dealing here in number three on
3 page nine, but we did have a group do some work in
4 consultation with the lawyers and others related in
5 this area with regard to redrafting the present
6 legislation in the hopes of bringing this more up
7 to date. At the present time that hasn't happened,
8 that ordinance has not come to Territorial Council
9 for our updating, but I understand the work or the
10 background work has been carried out on it.

11 Q And can you give us an
12 idea of what sorts of things you'd like to see put
13 into this new or revised ordinance? Isn't this documented
14 that could perhaps be submitted to the Inquiry as
15 an exhibit?

16 A I think we could pull
17 that together, could we not Mrs. MacQuarrie? But I
18 don't happen to have the reference material right
19 here with me today and I think it's a fairly complex
20 matter so I'd rather not speak extemporaneously to it;

21 Q Would your recommendations
22 with regard to a revision of the ordinance or the
23 passing of a new ordinance extend to recommending that
24 those changes that you've got in your brief be implemented
25 in new or revised legislation?

26 A Yes.

27 Q Now, --

28 A I think Dr. Clayton
29 would like to add to that.

30 Q Yes.

WITNESS CLAYTON: Just to

emphasize in passing, the fact that effective mental health services, helping services for people are not and cannot be localized in one department, one act, one ordinance and I prefer to think of mental health services as being reflected and developed in all of the departments mentioned earlier, thus the acts that govern education. How troubled children are dealt with in school, how counselling is or is not provided, how people have an input into that system is part of it. I mentioned in my own comments this morning the central importance of the Solicitor General's report, "Young Persons in Conflict With The Law", because the way the courts work and the way the young people who are disturbed are handled is very crucially a mental health issue. At the present time federally, cost sharing, in terms of social services is being reviewed so that there's considerable action on the part of the national level of the Mental Health Association to ensure that those patients, people, excuse me, for whom we are advocates, are served well by changes and reform in the social services, and coming up federally is the global health review of the present sort of legislation that underlines Medicare, hospital insurance etc.

So that, if one takes the broader definition of mental health services as our Association is in a sense, forced to do, it brings people and committees together and brings them and their concerns around all these areas, so that there

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1 might -- there will be a need for input in terms of
2 the health legislation and the health ordinances but
3 also in terms of all the rest to get a good picture.

4 Q So you'd advise not
5 just redoing the Mental Health Ordinance but having
6 a look at all social legislation to see whether it
7 accommodates the problems that people have, whether
8 they're in conflict with the law or paying for medical
9 health services or anything in between.

10 A The past
11 President of the National Mental Health Association
12 is from the world of education, an educator in New
13 Brunswick. He for example, feels that the most important
14 legislation in -- that deals with or influences the
15 mental health of Canadians is that which pertains
16 to schools and even pertains to how kids that are
17 truant are handled and he thinks what's in that law
18 is more important to the mental health of a community
19 as the years go by than what's in the law governing
20 who's admitted to hospital or how they get in.

21 Q And, Mr. Forth, is
22 the set of recommendations you make with regard to
23 mental health legislation confined to a mental health
24 ordinance or does it encompass these concerns that
25 Dr. Clayton has laid before us just now?

26 WITNESS FORTH: Well, the
27 recommendations that we make with respect to the ordinance,
28 you know, deal just with the ordinance, but we would
29 certainly share Dr. Clayton's concern that this thing
30 has to be approached on a very broad basis and can't

1 simply be dealt with on the one simple piece of
2 legislation.
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1 Q Would you agree with the
2 fact that there's great concern over the present
3 Education Ordinance and the possible introduction of
4 a new one may be as much a mental health problem as
5 an education one?

6 A Yes.

7 WITNESS MCCOMBS: I'd like
8 to make one very brief comment that I think the
9 important thing is to establish local mechanisms for
10 local program design and development. I don't think
11 we can do that without good technical assistance also.

12 The point is, you can change
13 all the national ordinances in the world and it still
14 might not have any particular applicability to one of
15 the rural communities. The important thing is to
16 establish a mechanism and a local representative
17 board who can themselves look at these kind of problems
18 and if they want to apply for money for special
19 education purposes under a mental health grant, that's
20 fine. They do that in Alaska.

21 It doesn't have to be
22 traditional mental health services that are provided
23 through the Mental Health Act. All these contingencies
24 are recognized and some of the better developed programs
25 address them very directly.

26 Q So you see the legislation
27 as merely enabling the local communities to establish
28 programs for themselves or get the expertise to get
29 assistance in doing it?

30 A That's correct.

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Q Now, turning Mr. Forth to the subject of career choices, you've stated on page four that there will be increased career choices available for the people of the Northwest Territories and the concern that has been expressed before this Inquiry more than once is that people may be being channeled into a single industry because there's so much momentum behind the hydrocarbon projects and that that in itself may be something which limits the choices you want to see expanded although there may be more categories of jobs within that industry than there are in the spectrum of employment opportunities present in the Northwest Territories.

Would you comment on that?

Had you thought of that as a problem in limiting as well as expanding career opportunities and employment opportunities?

WITNESS FORTH: Well, it may be limiting as well but from the point of view that there are now no opportunities for employment in the hydrocarbon field, outside of what work is being carried out under exploration, you know, in the exploration field.

This will present a new range of career options which are currently not available to northerners and I think that's what we're indicating here in this particular comment on the positive effects that we're going to open up a new area or a new area of occupational choices will be opened up to northerners ^{that} 'don't presently exist but certainly you're correct that

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1 there are definitely some limitations there as well.

2 Q And in your opinion,
3 will the opening up of these opportunities make some
4 of the other things that people are doing now, which
5 may be less remunerative, less attractive?

6 A That possibility exists
7 and Mr. McCombs might want to talk to that in terms
8 of the Alaskan experience.

9 Q Mr. McCombs has suggested
10 to us this morning that in some cases that happened,
11 that families, traditional family structures were no
12 longer able to withstand some of the pressures of new
13 careers, wage employment, I suppose wealthy teenagers
14 and poor trapping uncles, that resulted from the
15 pipeline. Is that the picture you were presenting to
16 us on the family break-up, Mr. McCombs? Have I
17 characterized it correctly?

18 WITNESS MCCOMBS: You
19 characterized that correctly but incompletely. There
20 are also families, of course, who because of increased
21 income, because of finding perhaps a place in the trade
22 union, have become more solid and I guess the Alaska
23 Pipeline as nowhere else has proved through the old
24 axiom that , what's one man's meat is another man's
25 poison.

26 It's all a question of
27 individual values and individual balance in terms of
28 the kind of trade-offs that people make one thing for
29 another.

30 Q I didn't mean to paint

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1 just the one side of it although I may be more prone
2 to do that.

3 One of the other concerns
4 that's been expressed with these employment opportunities
5 is that in the main, after the project has been
6 completed, they will disappear. There will be some
7 jobs that are permanent and they will number in the
8 hundreds; whereas the jobs that are of a three, possibly
9 four year duration are numbered in the thousands.

10 Mr. Forth, is this the reason
11 that you have requested in your submission that it be
12 considered that the project be spread over a longer
13 period of time?

14 WITNESS FORTH: I think that's
15 a contributing factor to why we're suggesting that.
16 However, I think we have a, call it a gut feeling, if
17 you will, that if it's possible to stage the con-
18 struction over a longer period, that the impact in all
19 areas could be lesser than if it's over the kind of
20 contracted two and a half or three year period that's
21 being spoken about now.

22 But in terms of your particular
23 question, I think we deal on page eleven, under our
24 third recommendation and also under our fifth
25 recommendation with the question of trying to ensure
26 first of all that people moving out to take pipeline
27 jobs are adequately prepared and have the kind of
28 knowledge and information about what they're getting
29 into and also that they be given some preference for
30 those jobs where the skills they acquire can be

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1 ultimately transferred once the construction phase
2 is over.

3 Q And would you then share
4 the concerns that the skills they do acquire are in
5 fact transferrable and don't result in their becoming
6 people who either have to move to the next pipeline
7 project or rejoin the unemployed or perhaps unemployable
8 portion of the population?

9 A That's right, but I think
10 again, as an Association, we would be concerned about
11 the degree to which personal choice is limited here
12 and I think that it's very difficult to legislate
13 in this area because some people will want to choose
14 or follow a career path that will lead to the
15 acquisition of skills and the ability to gain employment
16 in jobs which will mean they will have to move and
17 that really has to be a personal choice. It's not
18 something that I'd care to try and legislate against
19 and say people in Fort Norman have to only take those
20 kind of jobs and the ones that mean, that they will
21 stay in Fort Norman.

22 Q I'm not suggesting they
23 do but I take it you don't envisage people generally
24 thinking of the pipeline as a way, not only for gas but
25 for them to get out of the North, in general.

26 A I don't think we envisage
27 it but it's entirely possible.
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1 Q On page ten you
2 recommend that law enforcement within and outside the
3 camps be done either by the R. C. M. P. or under their
4 direction within and outside the camps.

5 Now, I think the unions would
6 agree with you that it be done by the R. C. M. P. but
7 they express reservations about it being done under
8 their direction unless it was by authorized peace
9 officers. Are you envisaging it being done by security
10 personnel, private security personnel?
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1 A I think what we're
 2 concerned with here is the total package and the way
 3 in which the security work is carried out. How, that
 4 is who carries it out is something that surely would
 5 have to be worked out between the companies and the
 6 police themselves, and if training was necessary, then
 7 that could be part of it.

8 If it's carried out under
 9 their direction or jurisdiction then it implies to
 10 us that it would be carried out according to certain
 11 guidelines and that that would imply some training
 12 if necessary --

13 Q Right.

14 A -- for the personnel
 15 doing it.

16 Q In keeping with local
 17 control, and I'm not thinking so much inside the camps,
 18 but inside the communities, would you be concerned
 19 that the communities have some say on policing within
 20 their own boundaries?

21 A Yes, I think that would
 22 be in keeping with the sort of general spirit of our
 23 evidence.

24 Q And perhaps using their
 25 own people as well as or as an alternative to the R.C.M.P.

26 A I think so, yes.

27 Q On page 11, you have
 28 recommended that the companies provide a system for
 29 screening out undesirable southern employees. Now,
 30 you suggest that the psychological and medical testing

1 which was used for the DEW line personnel might be
2 used as a model. Can you tell us what sort of testing
3 this was and give us an indication of the effectiveness
4 of it?

5 A No, I can't, I'm not
6 qualified in that area, but I think again we're not
7 necessarily referring to the exact testing instruments,
8 let's say, that were used, but we're referring to
9 that as a kind of model, the fact that there was in
10 fact some testing carried out or some psychological
11 and medical tests used. We're not necessarily pro-
12 posing that the same ones be used in this case.

13 Q Is that something that
14 either Mr. McCombs or Dr. Clayton you have experience
15 with?

16 WITNESS MCCOMBS: Not I.

17 Q So this is something
18 that you're not aware of?

19 WITNESS CLAYTON: True.

20 Q Now, would you recommend
21 that this kind of process be used for government
22 employees as well as pipeline construction personnel?

23 WITNESS FORTH: Yes.

24 Q Now, have you canvassed
25 either the trade unions or the Public Service Alliances
26 with regard to their willingness to submit to this
27 sort of testing or screening?

28 A No, we have not.

29 Q You go on to recommend
30 that an orientation programme for people hired in the

1 south be implemented to insure they have a sensitivity
2 to the way of the life in the Northwest Territories,
3 prior to taking employment. Now, do you mean that
4 they have information or that there is a way of
5 making people more sensitive to this sort of thing?

6 A There are definitely
7 approaches that can be taken in the training field
8 to ensure that people are more sensitive. Unfortunately,
9 these approaches have not generally been practiced in
10 the case of the north. They have them in instances
11 where Canadians, for example, have been involved in
12 international development and there are several good
13 models here to draw on that could easily be applied.
14 But as I say, unfortunately, with the exception, perhaps,
15 of the orientation programmes that are carried out
16 for teachers coming north and what I would have to
17 say is fairly spotty orientation of other employees,
18 of both government and private enterprise coming
19 north were basically in a new area here. This has not
20 been customary, but it's entirely possible in my view-

21 Q Do you think you
22 could get the personnel required to build this pipeline
23 even in a five year programme as opposed to a three
24 if you were to screen out those people who's mental
25 health might suffer by being here and who perhaps might
26 lack the sensitivity required of northern society?

27 A You're suggesting that
28 once we screen everyone out that no one would be left
29 to work.

30 Q It might be a slow

1 project, that's what I mean.

2 A I think that's extremely
3 difficult to quantify, but I would suggest that if
4 a programme, say of orientation, an effective one was
5 mounted, it would increase the possibilities of there
6 being less chance, let's say of this kind of problem
7 occurring.

8 Q Could an organization
9 like the Northwest Territories Mental Health Association
10 draft a programme of that sort for this kind of screening
11 or testing?

12 A I'm not sure that it
13 lies within our competence to do that, but I think that
14 we could probably assist in setting out some guidelines
15 for others to do it. As I say, I think there are some
16 models to fall on that I wouldn't want to see just trans-
17 ported, you know, in whole into our situation, but at
18 least would form a good basis.

19 Q Right.

20 A Did you want to add
21 something to that, Dr. Clayton?

22 WITNESS CLAYTON: I met with
23 some of the committee that wrote this yesterday
24 afternoon and had seen it earlier and questioned it
25 too and the recommendation, as it's worded sounds
26 rather heavy and complex, as the group discussed it
27 yesterday afternoon, I felt it meant something much
28 simpler than it appears to mean in this phrase, as
29 it's phrased here.
30

1 Near where I live, there are
2 several factories and my niece, in June, when she
3 finished school, tried for a job in one and didn't like
4 it and got the paycheque Friday and went to the next
5 on the following Monday and it was very easy in that
6 part of the country for her to try out a job to see
7 if she liked it and it was easy for the factory people.
8 I think what's -- to take her on and to let her go. I
9 think what's the intent here is that because the job
10 is thousands of miles away from where some of the
11 employees might come from, there must be some sort
12 of a system that will both prevent the person who
13 obviously once he gets here isn't going to like it and
14 didn't want it and didn't know that night time was
15 going to last all day as well and that sort of thing,
16 to prevent that person from making the mistake of
17 coming or to prevent the person whose had recently
18 30 jobs in a row, like my niece, two or three within
19 two weeks, but perhaps has also had a stream of arrests
20 from coming to a situation that demands more stability.

21 So on one hand, simply
22 because of the distance I felt the group yesterday
23 was saying that there should be something and somebody
24 had come up with this DEW line thing, and I don't know
25 what it is, but the principle is some sort of screening,
26 investigation, interviewing, tests -- not too much
27 big brother, nothing terribly complicated, we know
28 that psychological tests are very suspect at best,
29 but something to prevent the person from going 3,000
30 miles and finding the next week that it's been a

1 terrible mistake and secondly, to build into that
 2 same recommendation, something that will protect the
 3 community from finding a lot of people who've come
 4 3,000 miles and yet don't want to work, coming to
 5 stay in the local hotel and I think that's the intent,
 6 a very simple intent.

7 Q Well, if we can go to
 8 the intent then, Mr. Forth, have you considered that
 9 -- without getting into the legal implications of
 10 it whether you can prevent a person from coming to
 11 work because he's had 30 jobs or because he has several
 12 arrests in his record? Is that a problem you had
 13 considered?

14 WITNESS FORTH: Not really,
 15 and I'm sure there are legal questions that would
 16 have to be considered; civil rights questions for
 17 example.

18 Q Well, would you consider
 19 it being used as a screening process so much as a
 20 discouraging process, an information to the worker
 21 and perhaps being hopeful that the people you
 22 wouldn't want to see here would be discouraged from
 23 coming.

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1 A I think that would be
2 a large part of it, protecting the person, the would be
3 worker in this case, as much as possible.

4 Q In other words, the man
5 who was taking this as job thirty-one, if he wasn't
6 perturbed, might take it in any event, might either
7 succeed or fail on his own efforts?

8 A Yes.

9 Q Move on to your evidence
10 then, Dr. Clayton. I take it from what you've told
11 us earlier that for the good of the mental health
12 of people in communities, you feel that they should
13 have at their fingertips an element of control over
14 a number of things that affect their lives, whether
15 it is mental health facilities or programs or whether
16 it's education or access to the means of running courts
17 and correctional facilities?

18 WITNESS CLAYTON: Yes.

19 Q Your evidence then is
20 much broader than just being focused on what we
21 traditionally think of as mental health, mental
22 health institutions and systems?

23 A Yes.

24 Q I take it then that
25 you'd like to see the programs, say particularly in
26 education, corrections and health delivery systems
27 controlled in the individual communities as much as
28 possible?

29 A Yes.

30 Q And by individual

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1 communities, do you mean the villages, settlements
2 and towns or do you mean the regions such as through
3 the Territorial Government? I just want to know
4 how you define communities.

5 A Yes, here I was speaking
6 to the principle of the importance, the essential
7 ingredient of local control, local say, consumer
8 participation in the sort of service one gets. On
9 page six in my own comments that were submitted, I
10 refer to how this is being envisaged and structured in
11 other parts of Canada as examples and I gave them to
12 support the recommendation of the local mental health
13 association that was saying it was essential here.

14 I gave, for example, the
15 Mustard Report. Now, that's an Ontario one. But it
16 would mean that in the local community, the village
17 near where I live in, twenty-six hundred people; that
18 in there there is a council that has something to say
19 about how the primary health care is delivered and
20 I'm in health, so I more identified with it than
21 the educational things.

22 Locally there must be a say
23 about what sort of need must be met first, what the
24 priorities are, et cetera, but the primary level of
25 care is backed up by more specialized units and hospital
26 beds and other services, more specialized services, and
27 these are rarely local. These services--a complex
28 hospital might have to have sort of a catchment area of
29 / several thousand people, ten thousand, fifteen, twenty thousand
30 people.

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1 My own experience is downtown
2 Hamilton where two or three hospitals were serving
3 a catchment area of ninety thousand people. Well,
4 there you have some regional decisions that have to
5 be made about priorities and should be made by the
6 people about which hospitals have specialized
7 services, of what is the more urgently required mental
8 health or other service in that community and so you
9 have a structure of regional boards, et cetera, to
10 deal with these regional things.

11 Then I also mentioned this
12 morning that in Quebec it's different, in Manitoba
13 it's different, in B. C. it's very different. There
14 the local bodies, as I understand it and as I saw some
15 of them in operation at the Local Human Resource
16 Council and the equivalence in the mental health
17 field were not chosen or appointed but were elected
18 by the people in the community much as they'd elect
19 their school board and their other systems.

20 So, I was simply speaking to
21 the principle that in the community where I want to
22 live I must have a say in the education of my children,
23 in my health care, in the mental health services, the
24 way my courts work and the way all the human services
25 in that community work. I must have the say and all I'm
26 saying is that's the principle that should underline
27 how services are delivered in whatever community.

28 Now, up here the needs are
29 different people. It's a different culture, different
30 groups but--I can only then turn the microphone over to

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1 Terry and the people that live for. I can only speak
2 for and support the principle that public services
3 much serve me, the citizen.

4 Q All right. Now, what
5 I'm interested in from the experience in the area from
6 which you come is do you run into difficulties where
7 you have perhaps two or three distinct interest groups?
8 For example, we have communities in the Northwest
9 Territories where we have two or three distinct cultural
10 groups who may not always agree on what sort of programs
11 are best suited to educating their children or what
12 sort of medical facilities they require and has that
13 been a problem in your village of twenty-six thousand?

14 A I think that's the
15 problem across the country in education and certainly
16 in health services. Our health services have different
17 histories, the municipal ones, the ones that began with
18 churches, the ones identified with a certain faith,
19 different boards, different governing structures and
20 so it's very difficult for a city with say two
21 hospitals, a Protestant and a Roman Catholic hospital,
22 plus some private practioners who are their own bosses
23 as they see, ^{it} plus a public service out of the Department
24 of Health, and half a dozen different health services.
25 It's very hard to find in southern communities what
26 is so essential now from the taxpayer's point of view
27 and that is a mechanism of having some sort of local
28 consumer participation, citizen participation in the
29 very growing issues of who gets what money for what
30 and I'm sure you know the horror stories associated

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1 with that question in Ontario.

2 Q You're saying it isn't
3 working very well in the southern models and you think
4 that if we were to have the opportunity here to start
5 off with a different way of putting in community
6 concerns into the decisions, we should take that
7 opportunity?

8 A A remarkable opportunity
9 is here, yes, and I think you can learn so much from
10 the mistakes of southern models.

11 Q And that's why you
12 reinforced Mr. McCombs and Mr. Forth on the fact that
13 it doesn't necessarily have to be based on the
14 traditional ratepayer system that is used in a lot of
15 southern communities?

16 A No, I see no connection
17 between the principle of consumer participation in
18 decision-making and this political or tax structure
19 that you're referring to and in the health area where
20 my experience comes from, I have the greater experience
21 working with people at the very lowest socio-economic
22 level and usually new to the Canadian culture; people
23 in the downtown areas of our large cities, the Italian
24 community, the Polish community, others and to help
25 them as the consumers of service when they meet trouble
26 have a say in how it's done and to help them and to
27 help others of their family, their colleagues, their
28 kin folk or other citizens from the countries they
29 came from and participate in the treatment is a challenge.

30 I'm talking about two completely

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1 different things. Certainly not talking about how
2 much taxes they pay.

3 Q Now, Mr. McCombs, maybe
4 you have run into this with the Alaskan system. One
5 of the concerns that I have is this, that if you have
6 a community worker working with a professional, you
7 may have to make sure that you have a community worker
8 who understands either all the elements that make up
9 the society of that community or a number of workers
10 so that perhaps, for example, in a town or village
11 where you have coastal as well as inland Eskimo, if
12 there are differences, that professional will recognize
13 those.

14 Has that been a problem that
15 you've run into in Alaska and if so, how has it been
16 overcome?

1 WITNESS MCCOMBS: The problem
2 appears occasionally in the Seward Peninsula area where
3 there is an overlapping of different populations, of
4 different language groups. That's basically been
5 circumvented by utilizing a variety of community
6 resources and again, I think speaks to the total
7 intergration of health services and a health services
8 pool, in a sense, as opposed to a very narrow kind
9 of mental health program which is something I think
10 we're all trying to get away from and speaking to
11 here and that is a broad base of services; have village
12 health aids as well as village mental health workers
13 in some areas.

14 The point is that if you have
15 a system that is community based and not tied to some
16 arbitrary regulatory kinds of things about who can
17 pay who for what, who you can ask and this sort of
18 thing. You can go to anybody you want to and find
19 out. There's nothing stopping you. You have limitless
20 boundaries.

21 Q You're looking at people
22 to do these jobs will require quite extensive training.
23 You mentioned two years to train people in some of
24 these roles.

25 A This is two years part-
26 time training.

27 Q Yes, but it extends over
28 a two year period?

29 A It's a supervised two
30 years. That's correct.

1 Q So, it is much more than
2 just an interpreter which may be a service that is
3 provided in this jurisdiction?

4 A Yes, must more than just
5 an interpreter.

6 Q And I take it that in
7 this situation when you're talking about a pool of
8 community services, that that may break down some of
9 what we in white North American society would call the
10 traditional confidentialities, for example, of the
11 psychiatrist-patient relationship because this knowledge
12 will be shared perhaps by more members of the community
13 than we traditionally think of.

14 A I think that the concern
15 about confidentiality is always a concern with competent
16 mental health professionals or any professional for
17 that matter. It's certainly not taken lightly. My
18 own experience is that in most rural communities it's
19 an over-concern, that most people know anyway. Yes,
20 in a small town. It's not been a problematic factor
21 in developing most of the rural based programs.

22 Q Yes, I'm not thinking
23 that it may be necessary to change the people in the
24 small communities. They may accept that. It may
25 be necessary to reorient your professionals who are
26 trained in a much more structured system.

27 A Most of the professionals
28 that have been involved--all the successful mental
29 health professionals that have been involved in these
30 programs have seen themselves as undergoing a very

1 thorough period of training by the boards, by local
2 boards and by the people who they themselves are
3 actively involved in training. So, it's a two-way
4 street.

5 Q Did you find much
6 resistance among the professionals to this kind of a
7 change or do they--

8 A Oh, yes. It's very
9 difficult to find--most professionals are pretty
10 stodgy people and pretty fixed in their ways. They've
11 been taught in school how they're supposed to carry
12 themselves and it's kind of difficult for most of
13 them to readjust to a rural setting.

14 Fortunately, though, we've
15 been able by some kind of novel recruitment efforts,
16 have been able to attract some very good people, some
17 very, very capable, flexible people.

18 Q So, we are looking for
19 flexible people and I gather we are also looking
20 for flexible methods. For example, perhaps you can
21 tell me how Alaska handles the problem that we have
22 in this jurisdiction where a patient who is brought
23 before the courts and the people in the court may feel
24 he has to be assessed to see if he's fit to stand
25 trial. He's then sent out to Alberta for a period
26 of up to thirty days to be assessed by strangers.

27 This was a point that Dr.
28 Clayton brought up as a concern that he is not assessed
29 in his community or by his community. Does Alaska
30 employ that kind of system or have they found a better

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1 way?

2 A They used to and somewhat
3 depending upon the individual judges that are involved,
4 there has been a very high increase in local mental
5 health evaluations sometimes performed by psychiatrists
6 if there's one in that particular area. Clinical
7 psychologists, psychiatric social workers, the judges
8 are beginning to use them very much. Some of those
9 workers are even complaining they are getting over-used.

10 The point is though, we are
11 keeping people at home kind of where they belong for
12 these evaluations. In those cases where there are
13 really serious felonies involved, people are frequently
14 ordered to Alaska Psychiatric Institute which is in
15 Anchorage for a period of confinement, during which
16 time they are evaluated.

17 Q As a professional, do
18 you find when people are sent out of their community,
19 they may exhibit some of the stresses that would
20 distort any kind of evaluation?

21 A Yes. We also, you know,
22 have the particular cure called the airplane cure in
23 Alaska. You know, it's very good for acute psychosis
24 on about an hour's plane ride does wonders.

25 Q Small airplane or big
26 airplane? In this education that you feel that
27 professionals have to go through and have started to
28 go through in Alaska, do you find that professionals
29 have to realign their thoughts on what a problem may
30 be and that it may depend partially on a cultural--

1 A I think I responded to
2 that in one of your earlier questions, Counsel, and
3 that of course is yes.

4 Q Dr. Clayton, just a
5 couple more questions for you. You've referred to the
6 Solicitor General's report, "Young Persons In Conflict
7 With The Law", and you say that planning at the local
8 and community level is indispensable.

9 In this particular area, do
10 you have recommendations that you would make or
11 perhaps this report would make with regard to what kinds
12 of participation the local community could have to
13 adapt the system or the facilities to its needs?

14 WITNESS CLAYTON: The report
15 has a hundred and some recommendations. If passed
16 as law, the legislation will be placed in the
17 Juvenile Delinquent's Act. It begins with the statement
18 that the Juvenile Delinquent is, after all, a creation
19 of Federal Law and Federal Law will change and there'll
20 be no more juvenile delinquents and this is part of the
21 philosophical basis. It's a report that suggests that
22 young people in conflict with the law not be labeled
23 as delinquents or go through a criminal process from
24 the beginning, but go through a very different process
25 and recommends in each community a screening body and
26 defines a little bit about what these people should
27 know and what they should do and how they should deal
28 with the young offender.

29 It goes on to outline things
30 that the police might do to divert the young person away

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1 from the Courts and into the helping services, both
2 social services, mental health services, ordinary health
3 services, agency services, et cetera.

4 But in every community the
5 people involved whether it's an agency like Salvation
6 Army, Mental Health Association, Big Brothers Association,
7 Big Sisters, whatever the agency, it will vary from
8 community to community, but the police will have to
9 know in order to deal with the disturbed offender will
10 be different in one town than in the next.

11 So, the very implementation
12 of recommendations to the Solicitor General would mean
13 that there has to be at the local level a very different
14 way of handling emotionally disturbed youths who get
15 caught up in what we have until now called crimes.
16 Of the hundred odd recommendations, I couldn't quote
17 them all but I think I mentioned it to illustrate once
18 again that across the country there is recognition
19 for the need of local participation, local planning
20 together of different agencies of citizens, of health
21 services and mental health services with correctional
22 services and social services, a need for integration.

23 So, I raised it to support
24 what was said that there is the need to integrate
25 these services here. I am not sure, Mr. Justice Berger
26 will know I'm sure, but I don't, the implication for
27 handling young offenders with the law that this
28 particular document would have for the Northwest
29 Territories.
30

Clayton, McCombs
Forth
Cross-Exam by Bayly

1 Q Mr. Forth, on that
2 subject does the Mental Health Association have any
3 recommendations to make with regard to whether
4 communities should have more or less control over
5 what should be done with people who are in conflict
6 with the law in their own communities and whether
7 systems should be set up to accommodate --

8 WITNESS FORTH: With young
9 people?

10 Q Yes, with anybody.

11 A I think I would endorse
12 the comments that Dr. Clayton's made and say that
13 generally speaking, again in the N.W.T. it would be
14 highly desirable to increase the kind of involvement
15 of local people in the resolution of these problems,
16 absolutely.

17 Q And would you see that
18 as something that is important enough that it should,
19 if this local control be instituted prior to the
20 commencement of this project, that is the pipeline
21 project.

22 MRS. MacQUARRIE: The Canadian
23 Mental Health Association, in the Territories has
24 already served as a liaison between government depart-
25 ments, agencies and the client. We assisted with the
26 initial formation of the Northwest Territories Court-
27 worker's Association and these are the kinds of involve-
28 ments that the volunteer association can become quite
29 active in and I think that the Interagency Committee
30 in Yellowknife is a prime example of the things that

Clayton, McCombs
Forth
Cross- Exam by Bayly

1 can happen when groups get together. It is the beginning,
2 perhaps of a social planning council, but until the
3 volunteer association brought these groups together
4 they weren't speaking to each other and in many cases
5 duplicating the same services to the people.

6 Does that answer your question?

7 MR. BAYLY: It does, partially,
8 Mrs. MacQuarrie, I'm just again concerned with the
9 sequence of these things. There have been some recommenda-
10 tions that the Mental Health Association has been made
11 that certain things should be done prior to the
12 commencement of the project.

13 WITNESS CLAYTON: If I might
14 interject there, in answer to your question, should
15 something that has to do with this report, "Young
16 Persons in Conflict With The Law" be considered here,
17 I would say no. They are two quite separate issues
18 and in this context it's sort of a red herring.

19 I raised it to illustrate
20 the importance of local participation, but at the
21 moment this is a report to the Solicitor General that's
22 at the stage of discussion between the Attorney General
23 Departments of different provinces and it's going to
24 be a long time before we see the law changed, this is
25 just some recommendations for changes in the law.
26 Ontario is saying at the moment, wait boys, A, what you've
27 written is unconstitutional and B, we won't even discuss
28 it until you discuss cost sharing because it costs money.

29 So, it's at that stage, it's
30 years off before we see a real change in the criminal

CLAYTON, MCCOMBS, FORTH
CROSS-EXAM BY BAYLY

Clayton, McCombs,
Forth

Cross-Exam by Bayly

1 law as it effects young people I think.

2 Q Well, the problem I have
3 with that then, and this is addressed to Mr. Forth,
4 is the Mental Health Association does support the
5 settlement of land claims prior to the commencement
6 of the project and if the land claims settlement
7 involves the possible partial or complete local control
8 over court systems, would that be something that
9 the Mental Health Association would continue to endorse?

10 WITNESS FORTH: I don't think
11 that we're placing any conditions on the nature of
12 a final settlement or how the settlement should
13 be resolved, so I personally wouldn't want to comment
14 on whether that should or should not be in there.

15 Q Mr. McCombs, I have
16 a few questions --

17 THE COMMISSIONER: Excuse me,
18 Dr. Clayton, did you serve in the task force that
19 prepared the report on the "Young People In Conflict
20 With The Law"?

21 WITNESS CLAYTON: No.

22 MR. BAYLY: Mr. McCombs,
23 you spoke on page two of the difficulties of pipeline
24 planning with the privacy of negotiations between the
25 companies and the state and were you saying there that
26 part of the problem was the lack of access to information
27 on the part of both government and industries?

28 WITNESS MCCOMBS: On the
29 part of government and industry?

30 Q Of the public to informa-

Clayton, McCombs
Forth
Cross-Exam by Bayly

1 tion contained by or in the control of government and
2 industry.

3 A Yes, there appeared to
4 be mass confusion and contradiction about what data
5 was available.

6 Q And --

7 A I might add that I
8 think that that was especially true about social
9 impact data. The pipeline impact study that was done
10 by -- prior to the granting of the pipeline permit,
11 only addressed social impact, I think in a few very
12 brief paragraphs, although it was a document, I suspect
13 many of you have seen it, of substantial size.

14 Q Yes, and I gather one
15 of the facts of life in that was that both the state
16 and the industry were proponents of that development.

17 A I'm assuming that,
18 that's correct.

19 Q Has this been a continuing
20 problem, this lack of access to information for groups
21 and individuals outside government and industry in
22 attempting to assess what is going on and what has
23 been going on then, during pipeline construction?

24 A Well, again, at the
25 risk of equivocating, yes and no. I think some data
26 has become available. It's been very valuable to a
27 variety of services. I think other data has not, that
28 I think at times we felt could have just as easily.

29 I don't know, the point is
30 I'm not privy to what information is available and

Clayton, McCombs
Forth
Cross-Exam by Bayly

1 what is not, so that which is not available I can't
2 obviously know whether it is or not.

3 Q You're -- you've concentrated
4 on the snarls that arise when a number of
5 agencies get involved with a problem and get bogged
6 down in it as opposed to those where the information
7 is not made available.

8 A I'm not clear about
9 your question.

10 Q You've concentrated
11 in your concern then, on the problems that arise when
12 a number of agencies get bogged down in a problem.

13 A Yes.

14 Q Would you -- you have
15 heard Dr. Clayton say that the state makes a poor
16 parent and is that a sentiment to which you subscribe?

17 A Yes, very strongly.

18 Q In the Alaskan situation,
19 did you observe more or less dependency on the state
20 for parental services, if you like, in the form of day-
21 care services or schools or private babysitting out-
22 fits?

23 A I think there's probably
24 less dependency upon the state as I perceive the situation
25 here.

26 Q Less dependency on the
27 state than here.

28 A Than in the Northwest
29 Territories.

30 THE COMMISSIONER: Currently

Clayton, McCombs
Forth
Cross-Exam by Bayly

than you observe here in the Canadian north today.

A Yes, that's correct. Which in addition to that I think probably reflects the historical mottoes of health care philosophy and the differences between the two countries.

MR. BAYLY: You spoke a bit about values and although they're difficult to assess, have values changed for the general citizen of Fairbanks? Have priorities shifted even? I gather you've expressed the philosophy that people came to parts of Alaska because that's where they could be what they wanted to be and where they wanted to be. Has that changed?

A Yes and no. For some people it has. Now, for other people there has not been a change in values.

Q Apart from the people who you earlier mentioned moved out because the cost of living got too high for them to exist on social welfare services and monies, were there other people who, in numbers, migrated out of your community?

A Yes, I'm personally acquainted with several persons that I personally valued very highly and I think that the community did as well, who were in positions of leadership who simply said, you know, this isn't my kind of town anymore, this isn't my kind of community or region or area or whatever geographic sort of expanse was applicable, they left. But, I would like to point out that I think that there are people who came in as a result of the pipeline who will make just as substantial a contribution as those persons did previously.

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Cross-Exam by Bayly

Q And as far as you can
1 see, the community has changed. It's brought in good
2 people but it's also caused some other people to move
3 out.

A That's correct.

Q Now, the importance of
4 values has been stressed in your evidence. What I'm
5 concerned with is is there any way of building that
6 into either prepipeline planning or into systems and
7 ways of doing things that will protect some of the
8 values that presently exist or allow them to change at
9 a rate that people can accommodate to without having
10 their mental health changed or impaired?

A Most assuredly, yes. I
14 think one example is you're doing it right here.
15 Issues about values, life style, things that we care
16 about, why we are who we are are being listened to at
17 this Inquiry. This is an opportunity that we were really
18 not afforded in the State of Alaska and in part accounted
19 for some of the resentment, I think, that was attendant
20 on the pipeline.

People make value
22 judgments just from moment to moment and constant
23 compromises with their values as I pointed out the
24 struggle about, you know, whether to be here today
25 and be conscientious or to be irresponsible, be really
26 where I'd rather be and that's outside. You know, on
27 a beautiful day.

So we're doing this all
28 the time. I think that one of the important things
29 is to create a forum where people can express their
30

Clayton, McCombs, Forth
Cross-Exam by Bayly

1 feelings about their life and who they are and why
2 they are the way they are. The kinds of things that
3 they value to at least become, to at least identify
4 some of the trade-offs that they may or may not be
5 eventually called upon to make.

6 So that when people do
7 make choices and do make compromises, they're done
8 with some rational sort of basis and baseline.

9 Q And so would you recommend
10 that this access to a forum be something that you
11 continue throughout that development which has the
12 potential for change such as a large pipeline project?

13 A Absolutely. Whether
14 it be formal or informal, it obviously occurs and
15 probably has occurred in many homes here when you get
16 talking about pipeline. Just a small social gathering
17 becomes a forum about pipeline issues and what it may
18 mean to people and their lives and the kinds of
19 things they care about. It can also be done on a
20 community basis. Fairbanks had a pipeline forum
21 just prior to the initiation of the pipeline construction.
22 Nobody solved any issues and nobody came to any
23 conclusions but boy, a lot of people got heard and
24 they felt better for it and that was the first time
25 that anybody had listened to issues that pertained to
26 values and not just simply data about economics, tax
27 bases, mill rates, and how many yellow trucks, you know,
28 the local G.M.C. dealer was going to sell. It had
29 a remarkable effect on the community.

30 WITNESS CLAYTON: May I just

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Cross-Exam by Bayly

1 add something because what you said bothered me a bit,
2 Jack. Discussion and being listened to is important
3 but more important is being able to have a say in what's
4 happening and when one works with groups in the
5 disadvantaged parts of town where there's feelings of
6 powerlessness and helplessness, it really doesn't help
7 to listen unless that group then can have a say in
8 what sort of services, the recreation services, the
9 use of the schools, the jobs, that sort of thing.
10 Something more than just listening comes out of it.

11 Q You would agree with
12 that?

13 WITNESS MCCOMBS: Yes, I
14 would agree with that. At that point in time in
15 Fairbanks, the pipeline was accepted by a portion of
16 the community at any rate as an inevitability. I
17 think that the forum itself did provide an opportunity
18 for people to voice their feelings of impotence about
19 what was going to happen to their lives.

20 Q Did you notice in Alaska
21 whether there were differences in the kind and
22 incidence of mental health problems between native and
23 non-native Alaskans?

24 A The native Alaskans in
25 terms of the statistical data that we have is pretty
26 much the same incidence of mental illness in terms
27 of the major mental illnesses, schizophrenia, organic
28 brain damage, mental retardation, They're a bit
29 higher with mental retardation and some brain damage.
30 Probably historically the significant difference has

Clayton, McCombs, Forth
Cross-Exam by Bayly

1 been a higher degree of alcohol related problems with
2 the Alaska native. That trend seems to persist.

3 Q All right. Now, with
4 regard to those mental health problems that are generated
5 by social conditions or feeling of powerlessness or
6 impotence that Dr. Clayton has referred to, did you
7 notice any difference during the buildup to and the
8 construction of the Alyeska pipeline?

9 A Yes, as I mentioned
10 earlier, there was a lot of stress and that's reflected
11 in mental health center admissions and admissions to
12 the local hospitals, private practices. I think the
13 impact reports indicate calls to the local crisis line
14 and things of that sort. So there was a disproportion-
15 ately high increase in all categories of mental illness.

16 Q Now, I understand that
17 the native non-profit corporations in Alaska have
18 undertaken some ^{health and} mental health programs in their region.
19 Have you been involved in any of these projects?

20 A Yes, very actively.

21 Q Could you comment
22 on their effectiveness with regard to previous programs
23 that were --

24 A Yes, they are more
25 effective than previous programs in those cases where
26 programs existed. There were -- there are many
27 instances where programs did not exist prior to the
28 passage of the 1975 Community Mental Health Centres
29 Act and obviously if they've got anything going at all
30 that's better than what they had before.

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Cross-Exam by Bayly

The programs appear to be much more responsive to local needs, local conditions and local stress situations. They are more sensitive programs because they are locally governed and locally operated. Again there is a variety of styles of conducting the program with various kinds of solutions for sometimes very similar problems but they seem to be working well.

Q Now, with regard to planning for petroleum development which is to follow the Alyeska project, has the Alaskan State Government or has the Municipal Government done any more serious planning into what the social impact might be and how to deal with them than they did in the case of the Alyeska project, that is pre-development planning?

A No, they have not. The thrust at this point -- the only real statements that I have seen in the news media anyway were cautions to the local business that, you know, things are winding down. This is an official statement from the borough and retailers best caution themselves to reduce their inventory, kinds of things.

Q Yes, and is there concern in Alaska as to the completion of the pipeline about whether centers like Fairbanks will go into the bust part of the cycle?

A Yes, there is concern.

Q Are plans being made

Clayton, McCombs, Forth
Cross-Exam by Bayly

1 and discussions being had on how the community is to
2 deal with that situation?

3 A No.
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Cross- Exam by Bayly

1 Q On page five you were
2 telling us about some of the bad feelings that existed
3 between the community and the Alyeska employees and
4 we have had evidence at this Inquiry that suggested
5 that pipeline workers should be confined to camps as
6 much as possible and some, at the one extreme, that
7 they should be completely confined and I think that
8 Mr. Forth has agreed that if they're terminated they
9 should be sent straight out.

10 This hasn't occurred in
11 Alaska and based on the experiences you've had, would
12 it have been better to restrict people more?

13 A I think you must ask
14 the question better for whom. It certainly would not
15 have been better for the local businessman. It may
16 have been better for some other people and more
17 comfortable. I don't know, so again, at the risk
18 of equivocating, I think one must always ask that
19 question, better for whom.

20 Q Right. Can you think
21 of ways in which the company and community could have
22 avoided some of the animosity that you described
23 either, in the example of the stealing of the gas caps
24 or the bad jokes?

25 A Yes, I think that
26 some sort of a forum that involved community leaders
27 and community service providers, whether it's in
28 health service or whatever, that involved those persons
29 and the pipeline contractors to establish some level
30 of expectation of what their policies were going to be,

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Cross-Exam by Bayly
Cross-Exam by Goudge

1 what their proceedings were going to be, what their
2 medical care services were going to be, what their
3 wishes were, from the community, what they hoped for
4 from the community, what sort of a reception they
5 would like to have. How they could help, I guess,
6 the community, in turn how the community could
7 help them, I think would have been a very positive
8 sort of thing and that certainly did not occur, but
9 I think could have.

10 Q You think it could
11 have happened?

12 A Yes, yes, I think it
13 could have had it been mandated at some level.

14 Q Right. Would you have
15 included the unions in this discussion as well?

16 A Absolutely, absolutely.

17 MR. BAYLY: That completes
18 the questions that I have of this panel, Mr. Commissioner.
19 Thank you very much gentlemen, for your co-operation.

20 THE COMMISSIONER: Mr. Steeves.

21 MR. STEEVES: I have no
22 questions.

23 MR. GOUDGE: I've just got
24 one question sir.

25 CROSS-EXAMINATION BY MR. GOUDGE:

26 Q I wondered, Mr. Forth,
27 if you're familiar with the Koe Go Cho Society that
28 operates in Fort Simpson.

29 WITNESS FORTH: Not directly,
30 I'm really only aware of it from I would say private

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Forth
Cross-Exam by Goudge.

1 conversations and the press I haven't visited the
2 community recently so I'm not directly aware of it.

3 MR. GOUDGE: Thank you. Sorry
4 sir. I drew a blank.

5 THE COMMISSIONER: Well, what
6 an anticlimactic note. Well, let me thank you, Mr. Forth
7 and Dr. Clayton and Mr. McCombs, we certainly appreciate
8 the time and trouble you've taken to prepare this
9 presentation to the Inquiry and your evidence has been
10 most helpful and will be borne in mind by all of us.

11 The Inquiry's concern, of
12 course, is to be able to say to the government, if we
13 build the gas pipeline and establish the energy corridor,
14 the social impact will be thus and so and you've been
15 of great assistance to us in enabling us to determine
16 the dimensions of that impact from the point of
17 view of mental health, using that expression as you
18 have done, in it's broadest sense. So, let me thank
19 you again and invite you to remain for a cup of coffee
20 with us, because I think the time has come for a coffee
21 break. So we'll stop for coffee.

22 (WITNESSES ASIDE)

23 (PROCEEDINGS ADJOURNED FOR A FEW MINUTES)
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Clarke
In Chief

(PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

MR. GOUDGE: Sir, we're prepared to resume and Mr. Bayly, I think can carry on.

MR. BAYLY: Mr. Commissioner, Louise Clarke is here to give evidence on the subject of housing and I have agreed to lead her evidence in chief this afternoon and make her available tomorrow for cross-examination. The reason for that is that we have not yet had a chance to go over some of the material that has already been submitted on housing and she wants a chance to do that before being cross-examined as I understand it's possible she'll be cross-examined on some of that material.

I wonder if you could turn, Louise, to the back pages of your evidence to the curriculum vitae that you have prepared at my request and I'll take you through that. I understand that you're from St. Marys, Ontario.

LOUISE CLARKE, affirmed:

DIRECT EXAMINATION BY MR. BAYLY:

Q And that you have an honour B. A. in psychology which you obtained from the University of Western Ontario in 1969.

A Yes.

Q And that you have a Diplome Semestriel de Langue et Civilisation Francaises which you received from La Sorbonne in 1972?

A Yes.

Q And that since graduation you have worked as a consultant primarily in the area

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In Chief

1 of urban policy research and that has included working
2 in August, 1975 for the Central Mortgage and Housing
3 Corporation.

4 A Yes.

5 Q On a project which is
6 described in the curriculum vitae?

7 A Umm-hmm.

8 Q And that you undertook
9 a study for the Committee for Original People's
10 Entitlement and for the Northwest Territories Indian
11 Brotherhood and the Metis Association of the Northwest
12 Territories on the impact of the proposed Mackenzie
13 Valley Gas Pipeline on housing in Inuvik and Fort
14 Simpson?

15 A Yes, I did.

16 Q Mr. Commissioner, that
17 study has been filed with the Inquiry and has been
18 listed as a document in the possession of COPE.

19 You have worked on a number of
20 projects prior to that for the Central Mortgage and
21 Housing Corporation for Dr. Happy of that corporation
22 and for a Mr. Dale Bairstow of that corporation from
23 May of '73 through to December of 1974 intermittently.

24 A Yes, I did.

25 Q And that you also worked
26 for Environics Research Group?

27 A Yes, it is Environics.

28 Q Umm-hmm in 1972. I wonder
29 if we could then have the curriculum vitae entered as
30 an exhibit, Mr. Commissioner, and I'd ask you Louise to

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1 turn to the first page of your Evidence in Chief and
2 read your submission into the record please.

3 A Okay. The material to
4 be presented today is taken mainly from a report which
5 I was commissioned to prepare for the three native
6 organizations of the N. W. T.

7 THE COMMISSIONER: Do you want
8 to move the microphone closer to you, Miss Clarke. That
9 would enable us to hear you.

10 A The specific purpose of
11 that study was to assess the impact of the proposed
12 Mackenzie Valley Gas Pipeline and housing costs and
13 availability with emphasis on how the impact will affect
14 native people.

15 It focused on the communities
16 of Inuvik and Fort Simpson. I would like to stress
17 from the beginning that housing, even excluding technical
18 and design aspects, is an extremely complex field
19 involving demography, labour force dynamics, construction
20 industry economics, government policies and programs,
21 overall urban planning and human aspirations.

22 I am not an expert in any one
23 of these specific fields but I have spent over five
24 years doing research on several of them. To accomplish
25 this complicated task then, I reviewed the applicant's
26 socio-economic documents, conducted an extensive
27 literature search and made a three week field trip to
28 Inuvik, Fort Simpson and Yellowknife to interview
29 government officials at all three levels, representatives
30 of big industry, local entrepreneurs and the native

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1 people.

2 Two points became particularly
3 striking during the course of the work. First, there
4 is a real lack of reliable, statistical information
5 on the most basic items in any traditional planning
6 analysis.

7 Secondly, there is an evident
8 divergence between the southern housing market and that
9 of the N. W. T. and within it, a great difference between
10 the native and non-native housing situation. Combined,
11 these points mean that detailing probable impact of the
12 pipeline on housing often devolves to a best guess and
13 therefore is extremely susceptible to subjective
14 interpretations.

15 MR. BAYLY: Louise, I wonder
16 if you could read just a little bit more slowly to make
17 it easier for the reporters to get it all down.

18 WITNESS CLARKE: Sorry. But
19 before I discuss the implicit approach and assumptions
20 of Arctic Gas in particular, and my own in comparison,
21 I would like to give a social historical perspective
22 to the divergencies between north and south, native
23 and non-native.

24 This is crucial to assessing
25 either the various analysis of the situation or
26 possible courses of action. First then, the basis
27 differences between the southern and northern housing
28 markets. Until a generation or so ago, the North was
29 largely self-reliant in the provision of housing. Almost
30 all housing was owner occupied and probably was built

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1 either by the individuals themselves or by local
2 builders using mostly local materials.

3 The rapid growth of the
4 population due to resource development and expansion
5 of the government sector, progress towards southern
6 standards if you will, has changed this, especially
7 in the larger communities such as Inuvik and Fort
8 Simpson.

9 Now, many of the younger
10 generations, certainly the non-natives, probably do not
11 know how to build their own houses. Those who have
12 committed themselves to the wage economy do not have
13 the time anyway to build their own. The local sawmills
14 that produced the materials can no longer produce enough
15 to compete with imported B. C. lumber. For example, the
16 Jean-Marie Co-op requested a loan in order to
17 replace a piece of their equipment. Instead they were
18 given all new equipment which turned out to be from the
19 East and also out of date, so that they could not get
20 new parts when it broke down.

21 Then Indian Affairs and Northern
22 Development hired a southern consultant to come and tell
23 them how to run their business. Meanwhile the business
24 had failed and some of the families were forced onto
25 welfare. The residential construction industry, as
26 understood in the South, does not really exist in
27 Inuvik or Fort Simpson. There is only one contractor
28 in Inuvik and the indeterminate existence of one in
29 Fort Simpson.

30 Gemini reported that there were

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1 forty-seven certified tradesmen of all types of Inuvik
2 and Tuktoyaktuk and only nine in Fort Simpson. In any
3 event, many of the new units in the private sector
4 are mobile homes. Many others and virtually all public
5 housing units are prefabs.

6 Other work, if it involves
7 more than a few units, is usually done by Edmonton
8 firms, neither is there a residential real estate
9 business outside of Yellowknife. If a local entrepreneur
10 wished to build some housing, he might even be unable
11 to get local financing with the possible exception of
12 the Industrial Development Bank. Thus, an almost complete
13 dependency on southern labour, materials and financing
14 has developed.

15 In turn, this means that costs
16 are probably higher than would be explained solely
17 by the climatic, environmental differences. But the
18 main reason why costs are high and the northern situation
19 is so different is the whole system of housing
20 subsidies, whereby governments control directly or
21 indirectly the majority of the housing stock, setting
22 the standards for the private sector as well.

23 The Federal Government staff
24 housing is among the best in the Territories. To con-
25 struct a three bedroom detached unit in Inuvik in 1976
26 would cost the Department of Public Works seventy-five
27 to eighty thousand dollars. Developers wishing to sell
28 or rent units to private individuals, industry or the
29 Territorial Government will have to approach this
30 standard of construction and the only reason that people

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1 can afford to live in them is because an elaborate
2 system of shelter benefits has been developed precisely
3 to attract people to the North.

4 Once the Federal Government
5 inaugurated this system, expectations were established
6 and business and industry had to follow suit. In fact,
7 people's expectations are so strong that last year the
8 Federal Government roled back grants and staff
9 accommodation because of complaints that they were too
10 high.

Well, there is no real problem of people not being able to afford housing because big government and big business will pay whatever they have to to attract employees.

Exacerbating the problem of high cost and waste is the fact that utilities costs are also heavily subsidized. In federal government units there is a flat utilities fee of only \$21.00 a month and a fuel tax of \$4.00 for married couples and \$1.00 for singles.

A Department of Public Works official in Inuvik estimated that maintenance cost to his department are more than rent paid, as much as \$200.00 a unit per month. Likewise, in the low rental and public housing sectors, the government's responsible, mainly the federal and now territorial have lead people to believe that housing will be free or very low cost. The maximum rent in the low rental houses is \$130.00. In Inuvik, over one third of the tenants pay the minimum, which is \$2.00. Average rents in the public housing projects, dividing total revenue by the number of units are \$134.26 in the rowhousing, \$135.13 for the three bedroom detached units and \$30.40 in the senior citizens building.

The net result here is that Transiency is actually encouraged by these shelter benefits among the southern incomers. Although most people prefer homeownership to renting, everything is stacked against homeownership in the north and so a great many southerners cannot or are not willing

1 to make the sacrifices necessary to become a homeowner
2 and make a real commitment to the community.

3 Among natives, the result is
4 dependence. They want to or must stay and because of
5 costs are also excluded from homeownership for the most
6 part. Most of the native people who have managed to
7 achieve or maintain homeownership have done so only
8 at great cost. A few, like the co-op in Inuvik were
9 able to built quite nice homes because of quantity
10 buying, the Eskimo Loan Fund, as well as a great deal
11 of perserverance. Others were able to exercise the
12 rent to purchase option on low rental units or they
13 built a house themselves. To build a bit at a time
14 as they could was really the only option for Metis,
15 who did not qualify under the old federal programme.

16 They tried to find or buy
17 wood to save on fuel, they do without appliances, etc.,
18 in order to keep electricity costs down.

19 As mentioned, unfortunately
20 the standards for natives are considerably lower than
21 for non-natives. Overall the quality of native housing
22 has improved since the government first intervened because
23 of high infant mortality rates and tuberculosis. For
24 the vast majority however, the improvement is debatable.
25 Many wish that they had never given up their shacks.
26 This is the crux of the other difference, that between
27 native and non-native. When you demand and expect a
28 benefit and are not given a subsidy, you are not really
29 dependent but only transient. You can demand more, or
30 if you don't like the situation you can leave and probably

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1 have your moving expenses paid for. I would like to
2 mention a few general points on this and then briefly,
3 to set out the recent housing history of the native
4 people in Inuvik and Fort Simpson.

5 Northern communities tend
6 to have a distinct division, the well built serviced
7 non-native sector and the small, poor quality houses
8 and honey buckets of the native sector. Unlike non-
9 natives, the natives are not particularly concerned
10 about the aesthetics of housing. It is, however, the
11 background of disruption and misunderstanding which
12 the differences in housing and servicing represent
13 that concerns them and has bred dependence and enmity.

14 To begin with, staff housing
15 is much better quality than public housing but it is
16 also better maintained. It is difficult to get repairs
17 on public housing in Inuvik and virtually impossible
18 in Fort Simpson, the man in charge lives in Fort Smith.
19 Because I am not qualified to speak on structural
20 matters and because many of the problems are fairly
21 visible I will only mention the case of one of the
22 newer prefab models used in Fort Simpson. It has only
23 one door and the oil burner is right beside it. Originally
24 this same model had hot air ducts along the ceiling, there
25 would be periodic blasts of hot air on people's heads
26 and meanwhile the floor was freezing, finally, the
27 ducts were put under the floor, but only after cutting
28 big holes in the main two by six supports of the house.
29 Some of the units are now literally coming apart at the
30 seams.

Both federal and territorial governments are supposed to be making an effort to hire natives. People hired locally are not eligible for any federal housing benefits or other allowances. Some get around the problem by going to Edmonton to be hired. The territorial government has just recently changed their policy and now all are eligible, however, if the woman is the government employee and wishes housing, the husband may be a trapper or whatever, the couple must make a declaration that the woman is the head of household. This would be contentious for most couples in the liberated south, but in a traditional society, it is almost beyond comprehension. In public housing, rent payable is based on total adjusted family income, in staff housing, only the head of household's income is counted.

When the new town of Inuvik was being developed, government officials encouraged people to move there by saying that they would receive land and a new home in return for their old one in Aklavik, but right from the beginning the differences were obvious. Few, if any natives got land on the utilidor. Native housing was small and government housing was spacious, people were told of deeds, rent to purchase, options on land, etc., which meant nothing to most of them who had always provided their own housing. Some were not even aware the five twelves could be purchased. Of those who did know and understand, some lost their options because records were lost when the housing was transferred from federal

1 responsibility to the new Territorial Housing Corporation.

2 In 1967, those having property
3 were told that they must build a house within two years
4 or they would have to forfeit it, by then costs were
5 too high for all but a few and there were no loan
6 programmes, even to purchase the materials and build
7 a house themselves.

8 Some Eskimos did form a
9 co-operative in the early '60's. The government said
10 that they could have the land required. Their first
11 two choices, which were near the utilidor were somehow
12 not suitable or available for residential development.
13 Other land was provided along with the premise that it
14 would soon be serviced. It took nine years to get
15 full servicing. To reduce their costs the co-op wanted
16 to buy Atco prefabs, which were only \$12,000.00 in
17 1963. They were told that garbage houses were not
18 allowed. Now, all public housing units are the inexpensive
19 prefabs and there are housetrailerers throughout the
20 native sector.

21 There has, in fact been consider-
22 able integration in the traditionally native sector and
23 some natives who work for government do live in staff
24 housing. The utilidor has been extended and virtually
25 all the mobile homes are serviced, but the old govern-
26 ment owned, low rental units are still unserviced.

27 The flood in Fort Simpson
28 in 1963 precipitated basically the same series of
29 events that followed the move to Inuvik from Aklavik.
30

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1 Virtually all of the native homes were flooded, a few
2 were moved and the people continued to live in them
3 others were given new houses. The ones dating from
4 this time usually need extensive repairs and are still
5 unserviced although the sewer and water mains are
6 installed.

7 As mentioned, the people have
8 had to pay nothing for these houses or the utilities.
9 When some of them decided to pay for the sewer and
10 water connectors themselves, they were informed that
11 they would then have to start paying rent.

12 All of this is not to say
13 that the native people believe that the government
14 purposely set out to misrepresent their programmes,
15 to induce the dependency etc., but they cannot help
16 but see the inequities and realize that self-respect
17 is inevitably lost because of the dependence. Their
18 viewpoint is that southern made programmes and housing
19 are not the answer because not only do they perpetuate
20 the problem but also they probably cause them. In
21 sum the north is dependent on the south and the native
22 dependent on the non-native.

23 My basic assumption then, is
24 that such dependencies are not healthy either for the
25 economy or for the individual, therefore, government
26 programmes, pipeline developments and so on should
27 be evaluated on the basis of whether and how they
28 correct these imbalances.

29 Canadian Arctic Gas implicitly
30 assumes that entrepreneurial development of the north

1 is not only necessary but also beneficial to the north
2 and northerners. Specifically they state that their
3 activities,

4 "will not tend to increase the effective
5 pressure on housing and related facilities
6 because;

- 7 A. The policy of the applicant is to
8 avoid intensifying existing problems
9 relative to housing.
- 10 B. The increased construction consequent
11 upon the activities of the applicant
12 will increase the ability of the con-
13 struction industry to provide needed
14 construction services and,
- 15 C. Improved levels of income will impact
16 favourably upon the adequacy of
17 housing in the study region.
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Section 14C, page 29.

Even without involving my particular philosophic filter, let us see if existing facts and opinions of experts support these assumptions. The first is a tautology.

They are saying in effect that there will be no adverse effects because they say the applicants will not let there be adverse effects. The potential effects of a project as large as the pipeline cannot be controlled by managerial decree. Despite the fact that most workers on the Alaskan oil pipeline are unionized and a large campaign in the lower states to dissuade people from coming north on spec, Alyeska reported receiving 15 to 20 telephone calls and 10 to 12 walk-ins a day during the summer of 1973. These people need places to stay which increases the effect of pressure on housing and related facilities.

Arctic Gas suggests that there will be no increased demand during the construction phase but in their report of November, 1974, the pipeline application assessment group stated that,

"It is realistic to expect that there will be some in-migration of pipeline personnel, government staff and prospective entrepreneurs even during pipeline construction."

Even if there are relatively few of them, these are the very people who will create the highest demand qualitatively speaking; that is, inflationary pressures. This has been the case in Aberdeen, Scotland in the wake of North Sea

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1 Drilling Operations.

2 According to personal
3 communication with a native of that city the system
4 of rent controls in existence there for years broke
5 down and then inflationary spiral was created by
6 first speculators and then industry which would
7 pay whatever they had to to house their personnel and
8 to house them well.

9 But after saying that they
10 will make no impact during construction, Arctic Gas
11 promises that during the operations phase, they will
12 work with appropriate levels of government to deal
13 with any adverse effects. If they do, in fact, allow
14 that there may be some negative impact then the possibil-
15 ities must be dealt with now. In urban planning and
16 in the north, later is too late.

17 The second assumption
18 relates to the abilities of the construction industry.
19 Although they do not expressly state it, I infer that
20 they mean the local construction industry but as
21 already mentioned there is not really what one could
22 call a residential construction industry in the north.
23 Local firms cannot compete with Edmonton firms even now.

24 Both the Government
25 Assessment Group and the Chamber of Commerce to the N.W.T.
26 expressed doubt as to how much local businesses would
27 be able to benefit from pipeline related activities.

28 In the first place northern
29 businesses do not generally have the capital assets
30 either to field enough men and equipment or to post

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1 the performance bonds which will undoubtedly be
2 required. Local craftsmen, the few that there are,
3 may find pipeline work more profitable since small
4 businesses cannot afford the same wages as multi-national
5 corporations.

6 In any event the need for
7 rapid supply will probably mean increased use of mobile
8 homes and prefabs which will not help local industry.

9 The third assumption is
10 clearly. The most complex at a very simplistic level it
11 is true that increased incomes to impact favourably
12 on the standard of living generally. We are better off
13 now than we were during the industrial revolution.
14 On the other hand, the Government Assessment Group
15 pointed out that there is some apparent correlation
16 between economic indigence and increased economic
17 activity, page 114 of their report.

18 So jobs and increased
19 income are not a cure-all. What information is
20 required to assess whether increased incomes will or
21 will not impact favourably. A series of four sub-issues
22 must be addressed:

- 23 1. Will there be increased jobs and income for
24 northerners?
- 25 2. Will there actually be an increase in disposable
26 income or will any increase be eroded by increased
27 costs; that is, by pipeline induced inflation?
- 28 3. Are government and industry able to control
29 inflation and to meet current housing and housing-related
30 demands let alone those caused by the pipeline?

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1 4. Finally, and on a more philosophical plane is
2 it realistic to assume that natives can or should take
3 advantage of pipeline or pipeline-induced jobs?

4 It appears that the
5 pipeline will definitely result in increased wages.
6 Along with other major projects such as James Bay,
7 the tar sands, northern highways, a tremendous demand
8 for a relatively limited number of skilled people will
9 be created. Newspapers report weekly wages of \$700 to
10 \$1,000 in Alaska. Also an economist with the Prices
11 and Incomes Commission pointed out in a 1972 report
12 that the construction industry is one of the most
13 quantitatively important sectors for setting in
14 motion **emulatory** wage effects in other sectors.

15 What is unclear however
16 is how many jobs in total and how many permanent
17 pipeline jobs will be available to northerners. In
18 doing their job **projections** Van Ginkle Associates
19 assumed that there is full employment of northerners
20 if a participation rate in the labour force of only
21 30% is achieved. The actual participation rate in
22 the Mackenzie District according to the 1971 census
23 is 70%.

24 In other words, it seems
25 that those people responsible for hiring might be
26 underestimating the demand for **jobs** in the north
27 meaning that more southerners would be hired than
28 actually needed if northerners are to have preference.

29 Because 71 % of the
30 permanent pipeline operation's jobs will be for

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1 skilled workers and there are relatively few in the
2 north, it is highly unlikely that many northerners will
3 benefit from permanent high-paying jobs.

4 Furthermore wage
5 inflation caused by the pipeline may hurt local
6 businesses by enticing their workers to pipeline jobs
7 or by forcing them into a competitive situation where
8 they over-extend themselves. If this happens, then
9 the number of permanent jobs and therefore, income
10 security in general will be greatly reduced.

11 Next, a few facts, the
12 considered opinions of economists and the truisms
13 of the day make it clear that the pipeline can only
14 worsen current inflationary trends. Exactly how this
15 will impact on housing is difficult to say since the
16 northern market is unlike that of the south. Even if
17 there is a boom in the north, there may still be a
18 policy of austerity in the halls of power in Ottawa.
19 The result may be that budgets for social services,
20 including housing may be cut, removing the only protec-
21 tion for the large numbers of northerners in
22 subsidized housing.

23 In any event, I would like
24 to quote Judith Maxwell, an economist with the C.D.
25 Howe Institute.

26 "What seems clear is that prices in the N.W.T.
27 will soar even for ordinary commodities ...
28 any materials coming into the north will have
29 to compete for transportation space, and
30 that means paying a higher price. This would

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1 particularly effect building materials and
2 prefabricated houses. The Aberdeen experience
3 indicates that the large companies involved
4 in pipeline construction will pay whatever
5 they have to for housing and this will set
6 in motion inflationary expectations among
7 property owners. In the early days entrepreneurs
8 may build multiple units looking for fast
9 sales before the boom is over and maintenance
10 costs cut deeply into profits.

11 Also, there will probably be some speculative
12 buying of properties. Low income natives
13 who still have their own place will be
14 subjected to considerable pressure to sell,
15 both for the money itself and for meeting
16 increased costs. This will lead to even more
17 crowding than exists now and for some, dis-
18 placement to smaller settlements. Naturally
19 this will increase pressure on the already
20 limited housing there. It has been and will
21 likely continue to be the case that there is
22 less possibility of government housing
23 assistance there than in the larger centers.¹⁷
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Rental housing survey data from Fairbanks, Alaska show the number of units available and those available without restrictions on children, pets, smoking, etc., decreasing by half from September '74 to October, '75 and average rents for a furnished efficiency apartment have doubled.

Rental for a furnished three bedroom house, including utilities was \$1,200.00 a month in October 1975. Government and industry have basically two ways of trying to fight inflation, controls and increased supply to meet the increased demand. The debate on the effectiveness and equity of controls goes on. Even if relatively good housing control measures could be instituted, there is usually always some room for illegal practices which produce hidden inflation. Also, if it is even remotely true that there is more emphasis on wage control than on price control, then low income northerners in particular would suffer severely.

There seem to be as many estimates of supply and demand for housing as there are research papers. This can be largely attributed to the lack of ^{reliable} baseline data, for example, an actual account of housing units in Inuvik and Fort Simpson had not been done when I prepared my report and even the 1971 census gives only population estimates.

Shortfall is the term meaning the difference between the number of housing units required and those available. Estimates of the current shortfall in Inuvik range from 120 to 380. Last year

Northwest Territories Housing Corporation planned to provide 64 units of public housing and single person accommodation. At present, there is a slight housing surplus in Fort Simpson, but this does not allow for the need for replacements or the large number of units which are without services and/or overcrowded.

1 There is even more conjecture
2 involved in estimating future demand with or without
3 the pipeline. Employment and population projections
4 of various researchers were analyzed using the assumption
5 that housing demand will depend upon first, the total
6 number of jobs generated and induced. Secondly, on
7 the proportion of jobs which will be permanent rather
8 than temporary and thirdly, on the proportion of
9 permanent jobs going to southerners.

10 The estimates generated by
11 Van Ginkle for Arctic Gas were initially of interest
12 because he was the only one to illustrate options
13 concerning the permanent impact of the pipeline but the
14 study assumes minimum in migration which is untenable
15 according to virtually all other reports.

16 Secondly, it assumes that the
17 excessive of labour required over available northern
18 manpower should either commute from outside the
19 study region altogether or live in the communities
20 of Fort Simpson, Norman Wells and Hay River. It is
21 extremely difficult to understand why southerners
22 required for Delta hydrocarbon jobs would settle anywhere
23 except Delta communities, especially Inuvik, which
24 offers more southern ammenities than any of the other
25 three.

26 On the other hand, other
27 assumptions concerning labour multipliers and additional
28 households for each job seem overstated. In sum, none
29 of the current estimates seemed worthy of adoption.
30 True to form, this researcher derived her own estimates

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1 for future housing demand. They are based on the most
2 simplistic assumption which divides the various
3 population growth estimates by a density per unit figure
4 of 3.5 to give the number of units required not including
5 replacements.

6 Normal growth estimates range
7 from eighty-four to one hundred and twenty units per
8 year in Inuvik and twenty-six to thirty-seven in Fort
9 Simpson. With the pipeline, the ranges are one hundred
10 and twenty-two to one hundred and ninety-two in Inuvik
11 and thirty-eight to eighty-three in Fort Simpson.

12 But these global figures give
13 no indication of the relative importance of accommodation
14 for transient and permanent populations and there is
15 not much to go on here. A 1974 government report on
16 Mackenzie Valley development stated that there will be

17 "tremendous need for itinerant care during the
18 development phases and suggested that buildings
19 could be designed to meet that need and later
20 after the initial craft subsidies, adapt to meet
21 different community needs".

22 Foothills has promised to make
23 available surplus camp dining, and sleeping facilities
24 to small communities after construction is complete.
25 Again, after is too late to alleviate the worst of the
26 potential housing crisis.

27 Both applicants have promised
28 to provide staff housing in the settlements for
29 permanent employees. As mentioned, it is this demand
30 which could contribute most to the inflationary spiral.

The settlements probably feel that they have no alternative but to sell land, rather than to lease it in order to recoup quickly some of their high servicing costs and to increase tax assessment. This is unfortunate because the county councils of the Shetland Islands are apparently controlling development and inflation costs by North Sea operations fairly well by only leasing land.

At least on a superficial level, the physical planning seems to be well in hand in both Inuvik and Fort Simpson. The basic elements of the plan done by Franci Associates for the village of Fort Simpson will probably remain while the details will be changed. The bulk of future development will be in mobile homes. On the mainland, Franci proposed that there be one, a permanent mobile home subdivision and two, a mobile home park which would not be serviced by water and sewer mains and presumably would be removed after the construction boom.

The subdivision, on the other hand, would require careful planning including a comprehensive residence code. Also, a majority of the trailer lots would be double in order to permit future conversion to other modes of housing or additions to the mobile home.

Thirdly, it was recommended that high density housing of the townhouse and apartment type be built in the vicinity of Center-town. Even with maximum growth to Franci's estimate of 3,255 in 1981, it seems unlikely that these higher

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1 densities would be required given almost unlimited
2 developable land on the mainland. This type of
3 development would also unduly disrupt the existing
4 population. Simpson already has been described as
5 "Village of dilemma, fear, tension and apprehension",
6 by the Settlement Council Chairman.

7 The Inuvik Town Council is
8 planning for growth of up to a total of 8,000 by 1980
9 and their chief concern is servicing because utilidor
10 costs are so high. Within each area as it is developed,
11 no more than 20% of the lots can be purchased by
12 government or the oil companies in order to promote
13 better integration of the community. It should be
14 mentioned that physical integration of the community
15 may leave untouched or even exacerbate the existing
16 socio-economic problems.

17 Trailers will be allowed only
18 in parks however, People currently established on
19 lots outside this area have signed affidavits saying
20 that they will move once the lots are ready but
21 some cases will probably require court action before
22 people actually move. If the proposed pipeline is
23 built, the issue of provision of gas to the communities
24 will have to be resolved. The consensus of local
25 people interviewed was that the Northern Canada Power
26 Commission, a Crown corporation, should convert its
27 generators.

28 Any large scale conversion
29 would be expensive but obviously NCPC has extensive
30 borrowing powers while if left to individuals, conversion

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1 would be impossibly expensive. But the main problem
2 confronting the settlements is to get enough money to
3 improve and carry out their plans before a boom takes
4 things out of their control.

5 Apart from staff housing, there
6 are four territorial departments or agencies involved
7 in housing related activities. There is the Petroleum
8 Resources Development Committee of Council which has
9 a sub-committee to overview and co-ordinate community
10 planning and housing aspects of petroleum industry
11 development. When my study was prepared, they had
12 barely started work.

13 The Department of Local
14 Government has several divisions but three are of
15 interest here. The Employment division has established
16 a Territorial Employment Record and Information System
17 (TERIS) which will have completed a survey of employment
18 in the Inuvik region within a few months. Overall
19 planning of community budgeting is handled by the
20 Municipal Affairs Division. The N. W. T. Government
21 can borrow only up to four million dollars for
22 disbursement to all municipalities.

23 Town Planning and Lands
24 co-ordinates and reviews all community plans. As a
25 town, Inuvik is acting fairly autonomously but increasing
26 pressures might induce them to seek advice. Fort
27 Simpson still relies quite heavily on the division
28 although they receive accountable grants to hire their
29 own consultants.

30 A study commissioned by the

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1 N. W. T., Department of Economic Development and Indian
2 Affairs recommends the establishment of a housing
3 pre-fabrication industry in Hay River. That there is
4 a potential market for housing quite clear. What is
5 not established is whether or not a considerable amount
6 of money should be invested in prefab housing to the
7 possible exclusion of more traditional types.

8 Most existing pre-fabs in the
9 North are generally ill-suited to the climate and that's
10 not particularly liked by the inhabitants. Furthermore,
11 it is probable that prefabs cost as much or more in
12 the long run in terms of maintenance, energy costs and
13 early replacement than better conventional housing
14 at slightly higher capital costs. Naturally the
15 territorial agency most involved in housing is the
16 Northwest Territories Housing Corporation. Most of the
17 programmes available through them are cost-shared with
18 Central Mortgage and Housing Corporation, such as
19 land assembly, sewage treatment and public housing.

20 The NWT HC does have two new
21 programs pending which seem promising. First, is the
22 log housing method. A special lathe has been purchased
23 another maybe soon, and five prototype buildings erected
24 in Fort Providence. The advantages are that more local
25 labour will be involved in their production and erection
26 than with prefabs and that both capital and maintenance
27 costs are lower than for prefabs.

28 However, there are problems.
29 The equipment requires the exercise of absolute pre-
30 cision and a very carefully controlled environment; it

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1 should be able to produce one house package a day, so
2 that plans for a hundred units are a modest beginning.
3 Another advantage of the program is that it could
4 utilize local materials, but NWTTC is buying all the
5 logs in British Columbia and does not seem to be taking
6 steps to encourage local involvement.

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Corporations have stated that surplus units will be available to private buyers but at as yet undisclosed price. Since the machine not working well yet in the backlog of housing requirements is large. It is unlikely that any log house packages will be available privately for quite some time.

The other program will hopefully soon be approved. It calls for an outright grant to potential homeowners, the amount to vary by location. This will be supplemented by a utility subsidy to offset costs over a specified limit, either a specific rate for the electricity or fuel or above a certain percentage of income required. These programs might also operate in tandem with the Federal Assisted Home Ownership Program. Costing estimates are not yet available but it is unlikely the program will be generous enough to induce many people to forego the hidden benefits of a housing allowance which they have come to expect.

If this is true of Government staff then the program will in no way offer an alternative of public housing. A more fundamental problem than the shortcomings of specific programs arises out of policy level. NWT Housing Corporation sees its first and really only priority as being housing for northerners. Unfortunately, it seems clear that the NWT Housing Corporation cannot meet even the current housing demands for northerners. The total estimated production for all of the NWT for the 1975 season was some three hundred units of which about sixty-four were allocated

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1 to Inuvik while the town's estimated need was one
2 hundred and twenty.

3 Thus, to summarize, we have seen that although
4 wages will definitely increase , the extent to which
5 northerners ^{will} profit from the high paying pipeline jobs
6 remains debatable. Furthermore there will definitely
7 be considerable inflation caused by rapid pipeline
8 development which will result in little net increase
9 in disposable income . And local businesses may be
10 irrevocably hurt by the inflationary spiral reducing the
11 number of good permanent jobs which would be extremely
12 damaging to the economy.

13 Given the current level of planning there
14 seems to be little that can be done to prevent adverse
15 affects. The effectiveness and equity of controls is
16 dubious. Present housing programs and production are
17 inadequate to meet even current demand.

18 Let us now turn to the position of the
19 native people in all this. Not many natives are
20 currently employed by the petroleum companies. Accord-
21 ing to the 1971 census, the participation rate for
22 natives is about nineteen percent of the potential labour force
23 and thirty-three percent of the active labour force.
24 But in the petroleum industry at Inuvik it is only
25 thirty-two percent.

26 Secondly, there is neither a large number
27 of skilled natives now nor could a significant number
28 be trained before construction is expected to become
29 completed. In February, 1975, there were seventy-eight
30 natives in Arctic Gas' training program. Even if

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1 natives were trained it would be unlikely if they
2 could be pre-empt experienced southerners already
3 performing the job.

4 Assume for a moment
5 that the natives do wish to join the standard southern
6 wage economy. Greater benefit would accrue to them from
7 supporting the expansion of the North's economic base.
8 That is, local enterprise which are labour intensive
9 rather than the pipeline and other resource developments
10 which are capital intensive. This type of expansion
11 would reduce the North's dependence on the south but
12 what about the position of the native vis-a-vis the
13 non-native? The Government assessment group stated in
14 their report "yet once the pipeline has been completed
15 and the regional economy settles down to a more normal
16 level of activity it is unlikely that present inter-
17 ethnic distributional patterns will have been altered
18 greatly", page thirty-four.

19 That, of course, is
20 with the development as currently conceived. So, let
21 us assume there alternatives for the natives which
22 would expand the northern economic base. One example
23 might be the formation of self-help co-operatives
24 where work responsibilities can be rotated and
25 communities could be mutually supportive.

26 Whether they be for
27 profit or non-profit, for housing only or multi-service
28 is immaterial here. What is important is the fact that
29 it is fairly common practice for Co-ops to make their
30 service product available to non-members at a slightly

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1 higher cost in order to reduce their own costs. Thus,
2 in the long run natives may not even want expansion of
3 northern non-native enterprises to the extent that --
4 I emphasize that -- to the extent that this expansion
5 would in effect support their potential competitors
6 who already have the advantage.

7 This past year Inuit
8 Tapirisat conducted a pilot housing project with
9 funding from the Rural and Native Housing Program of
10 CMHC. This project and house type admittedly do not
11 essentially correct the economic imbalances, but they
12 do show that there are alternatives to the current
13 situations specifically in housing.

14 Inuit Tapirisat felt
15 confident to draw the following conclusions:

16 One, it is possible
17 to improve -- to involve the Inuit effectively in the
18 planning, organizing, delivery and erection of the
19 houses.

20 Two, the houses appear
21 to be of good standard somewhat better than the units
22 provided by NWT Housing Corporation and suited to the
23 Inuit lifestyle and climatic conditions.

24 Three, there is a
25 strong possibility that the houses could be delivered
26 and erected in one season while it usually takes two
27 for other types.

28 And four, It is
29 expect that the actual cost be less than forty-four
30 thousand dollars per unit. Which is lower than that

L. Clarke
InChief

incurred by NWT Housing Corporation for its models.

The situation whereby public housing is virtually the only option for native people would seem unnecessary at best in a country such as Canada. Positive benefits would not accrue due only to the intrinsic value of the pipeline. Unless planning guidelines and mechanisms are firmly in place before construction begins, its extent and momentum will certainly limit options for meeting housing needs in a meaningful way.

Furthermore, it is assumed that optimal planning and benefit will only come about if the overall goal of any development in the North is the reduction of external and internal dependencies.

In sum, the assumptions concerning housing made by Arctic Gas have seemed to be unfounded and therefor any actions proposed by them to meet and alleviate the probable impact would in this context probably be ineffective. What actions are necessary and possible? As a minimum, it is suggested that any guidelines adopted for planning housing measures should incorporate the following elements:

One, discrimination with respect to existing housing benefits should be eliminated.

Two, the development of local material should be encouraged thereby both providing employment and reducing the need for high cost importation.

L. Clarke
In Chief

1 Three, maximum
2 utilization of local people is also essential and to
3 this end training programs should be expanded and
4 improved where needed.

5 Four, most importantly
6 native people must have the opportunity either to
7 develop their own programs or to be deeply involved
8 in the planning of new programs and mechanisms whereby
9 acceptable housing at a price they can afford is
10 available. That is, to reduce their dependence and
11 thereby effectively to improve their economic position.
12 The natives **should** have **the** opportunity of establishing
13 their own materials, labour and capital as alternatives
14 to the current supply.

15 As well, there are
16 possible actions which Government and industry could
17 and should take to relieve the pressure of inflation
18 in the North. Most of this discussion is conjecture
19 because there are few if any housing economists who
20 understand the northern market. There are no experts
21 in this area.

22 In summary, housing
23 inflation in the northern context does not affect
24 individuals as generally as it does in the South
25 because of the housing benefits system. As long as
26 Government and industry are prepared to pay any price
27 for housing their personnel, and do not seek counter
28 measures they will feel the effects of and contribute
29 to inflation. The spiral is exacerbated by a constricted
30 housing supply because few can afford to compete in the

L. Clarke
In Chief

provision of accomodation. Short supply is thus both
cause and effect.

To combat this,
Government and industry should be more cost conscious
in the provision of staff housing. Alternate structural forms, improved insulation and energy technology should be investigated. If costs are lower and there is real commitment to programs, homeownership would become more realistic and the market more stable.

1 Industry should provide
2 temporary housing for the influx of casual job seekers
3 which is inevitable in the light of the Alaskan
4 experience. This would reduce pressure on the very
5 limited rental stock in Inuvik and help to induce
6 lower rents in both Inuvik and Fort Simpson.

7 Although there is currently
8 a slight surplus of serviced land available in both
9 communities, money for land development should be
10 provided if a pipeline is approved. In the north,
11 especially in permafrost areas, the availability
12 of serviced land is probably the most crucial aspect
13 of housing supply requiring the most lead time and
14 capital outlay.

15 Finally, the problem of
16 adequate barge shipping facilities must be repeated.
17 If there is a housing shortfall in the first year of
18 pipeline construction, it is quite likely that the
19 economic and social effects of such a shortage would
20 take years to offset if ever.

21 The truism that the urban
22 situation in general, in housing in particular is
23 complex and therefore not sensitive to unidimensional
24 solutions also bears repeating. The attempt to increase
25 supply should involve several strategies and should
26 be complimented by efforts to control demand. Rent
27 controls, especially in a boom economy are probably
28 unworkable. The simplest and possibly best control
29 on long term development is through land leasing
30 by the municipalities rather than sale.

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1 Not only is the specific
2 use of the property controlled, but also a large
3 element of the speculative gain is eliminated or at
4 least minimized. If the municipalities are unable
5 to meet payments on the loans, etc. for their land
6 banking and servicing through leases rather than sale,
7 then, special funds should be allocated to give them
8 this option. Any programme of controls however,
9 requires careful planning and implementation. Government
10 should make available the resources for such planning.

11 In conclusion, the housing
12 situation in the face of pipeline and other resource
13 development is analogous to that of many of the
14 ecological problems. Not enough is currently known
15 except that there is a fine balance between health
16 of the system and disaster and once the experiment has
17 been tried there is no going back. Time and careful
18 planning are the most important preventatives of
19 disaster.

20 THE COMMISSIONER: Thank
21 you Ms. Clarke.

22 MR. GOUDGE: Sir, I've
23 canvassed all counsel and on the basis of what I glean
24 from them, let me propose as being something which
25 offends no one and facilitates some of those among
26 counsel, this proposition, that we break now and
27 if we can prevail on you sir, to reconvene tomorrow
28 morning at 8:30 we can expedite cross-examination, I
29 think without cutting anyone short and --

30 MR. BAYLY: Cutting anyone

L. Clarke
In Chief

1 short, I gather has something to do with airplanes.

2 A As opposed
3 to sleeping.

4 MR. GOUDGE: I say that sir
5 because we could continue now and complete it now, but
6 Mr. Bayly has indicated for a good reason he would
7 prefer to put it over until tomorrow morning.

8 THE COMMISSIONER: Yes. Well,
9 okay. Any other submissions?

10 MR. STEEVES: I have a
11 submission. I've read the report and I find the report
12 thoughtful and meaningful and worth consideration
13 and I have no questions to ask Ms. Clarke. I want to
14 think about it, but I have no questions to ask her
15 and that's my submission.

16 THE COMMISSIONER: Yes. It's
17 a very interesting report.

18 MR. SIGLER: Sir, I have
19 some questions and I would like until tomorrow to
20 prepare my cross-examination. I'd like to discuss
21 some of the points with my client before.

22 THE COMMISSIONER: Right, by
23 all means. No, I -- it's just this 8:30 a.m. starting
24 time that --

25 MR. GOUDGE: I'm in your hands
26 sir.

27 THE COMMISSIONER: -- I find
28 thought provoking. Now, is that all right with the
29 rest of you? It's -- 8:30's okay by me, I just have
30 to come downstairs or how about you, Ms. Clarke, have

L. Clarke
In Chief

1 you travelled a long way to get here today or --

2 WITNESS CLARKE: Whatever
3 is most convenient to the hearing.

4 THE COMMISSIONER: You want
5 to read this thing though, so let's make it 9:00, is
6 that all right?

7 MR. BAYLY: That way I can
8 get my children to school before coming here, Mr.
9 Commissioner.

10 THE COMMISSIONER: Okay.

11 MR. GOUDGE: It's fine by
12 me sir.

13 THE COMMISSIONER: Okay, 9:00.
14 Thank you Ms. Clarke.

15 (QUALIFICATIONS AND EVIDENCE OF JOHN K. CLAYTON,
16 MARKED AS EXHIBIT 745)

17 (QUALIFICATIONS AND EVIDENCE OF JACK McCOMBS,
18 MARKED AS EXHIBIT 746)

19 (QUALIFICATIONS AND EVIDENCE OF TERRY FORTH,
20 MARKED AS EXHIBIT 747)

21 (QUALIFICATIONS AND EVIDENCE OF LOUISE CLARKE,
22 MARKED AS EXHIBIT 748)

23
24 (PROCEEDINGS ADJOURNED UNTIL SEPTEMBER 10, 1976)
25
26
27
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29
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Mackenzie Valley pipeline inquiry:
September 9, 1976 Yellowknife

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APPEARANCES:

Mr. Ian G. Scott, Q.C.,
Mr. Stephen T. Goudge,
Mr. Alick Ryder, and
Mr. Ian Roland, for Mackenzie Valley Pipeline
Inquiry;

Mr. Pierre Genest, Q.C.,
Mr. Jack Marshall,
Mr. Darryl Carter, and
Mr. J.T. Steeves, for Canadian Arctic Gas Pipe-
line Limited;

Mr. Reginald Gibbs, Q.C.,
Mr. Alan Hollingworth, and
Mr. John W. Lutes, for Foothills Pipe Lines Ltd.;

Mr. Russell Anthony,
Prof. Alastair Lucas and
Mr. Garth Evans, for Canadian Arctic Resources
Committee;

Mr. Glen W. Bell and
Mr. Gerry Sutton, for Northwest Territories
Indian Brotherhood, and
Metis Association of the
Northwest Territories;

Mr. John Bayly and
Miss Lesley Lane, for Inuit Tapirisat of Canada,
and The Committee for
Original Peoples Entitle-
ment;

Mr. Ron Veale and
Mr. Allen Lueck, for The Council for the Yukon
Indians;

Mr. Carson Templeton, for Environment Protection
Board;

Mr. David H. Searle, Q.C.
for Northwest Territories
Chamber of Commerce;

Mr. Murray Sigler and for The Association of Municipi-
Mr. David Reesor, palities;

Mr. John Ballem, Q.C., for Producer Companies (Imperial,
Shell & Gulf);

Mrs. Joanne MacQuarrie, for Mental Health Association
of the Northwest Territor-
ies.



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COMMITTEE FOR ORIGINAL PEOPLES ENTITLEMENT

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APPENDIX 2, B.1.

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753	Inuvik Planning Projected Budgeting Program, 76-79	28417
754	Street Improvements and Surfacing-Inuvik, Associated Engineering Services Ltd.	28417
755	General Plan Expansion-Inuvik, Makale Holloway & Associates	28417
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757	Water and Sewage System Analysis-Town of Inuvik by Associated Engineering Services Ltd.	28417
758	Town of Hay River General Plan, 1975	28417

1 Yellowknife, N.W.T.

2 September 10, 1976

3 (PROCEEDINGS RESUMED PURSUANT TO ADJOURNMENT)

4 THE COMMISSIONER: Are we
5 ready to begin, ladies and gentlemen?

6 MR. GOUDGE: I think we are
7 sir. Ms. Clarke's available for cross-examination.

8 MR. BAYLY: Mr. Commissioner,
9 a couple of things. Yesterday I gave out three things,
10 a set of questions that will be put to Mr. Sam Raddi
11 when he appears next week. There is a summary of
12 his evidence but because of his blindness we haven't
13 given out a text the way we have with other witnesses.
14 There is a curriculum vitae for Dr. Schaefer and there
15 is the final draft of the presentation of Dr. Kehoe
16 I also have, which I will give out this morning, the
17 presentation of Dr. Elizabeth Cass and just before
18 cross-examination begins, Ms. Clarke has one item that
19 she wanted to bring to the attention of the Commission
20 which updates her evidence from the time that it was
21 prepared.

22 MR. SIGLER: I would like
23 to announce that we'll be filing this morning certain documents
24 that we undertook to produce at the request of Mr. Scott
25 when Mr. Dusel was giving his evidence, involving the
26 planning that's been going on by some of the municipalities
27 in their dealings with the government and I will
28 file as an exhibit this morning the general plan
29 for the town of Hay River of 1975 prepared by Stanley
30 and Associates Engineering Limited. As well, a water

1 and sewage system analysis for the town of Inuvik, pre-
2 pared for Northern Canada Power Commission by Associated
3 Engineering Services Limited in January, 1973. The
4 capital budgeting programme for the town of Inuvik,
5 prepared September 1973 by Associated Engineering
6 Services Limited and Makale, Holloway and Associates
7 Limited. As well, the general plan expansion for
8 Inuvik, Northwest Territories, October 1973 prepared by
9 Makale, Holloway and Associates, as well as street
10 improvements and surfacing report prepared for the town
11 of Inuvik, April, 1976 by Associated Engineering Services
12 Limited, the Inuvik planning projected budgeting programme
13 for 1976 to 1979, which is just prepared by the town
14 of Inuvik. The government of the Northwest Territories,
15 a report done by Franc1 and Associates consulting
16 engineers for the government of the Northwest Territories
17 and the town -- called the Townsite Expansion Study
18 for the Village of Fort Simpson, prepared in January,
19 1974. Fort Simpson water intake, Mackenzie River study
20 dated October '74 conducted for Strong, Lamb, Nelson
21 Limited, the town engineers by Northwest Hydraulic
22 Consultants Limited.

23 I have the planned townsite
24 expansion of waterworks and sewerage for the village of
25 Fort Simpson, report done by Strong, Lamb and Nelson
26 Consulting Engineers in Edmonton, June, 1975 and finally,
27 draft river water intake predesigned study done by
28 the village of Fort Simpson, July 1976 by Stanley
29 Associates Engineering.

30 These are all the documents

1 that would be filed in reply to Mr. Scott's questions
2 and pursuant to my undertaking.

3 THE COMMISSIONER: Thank you
4 Mr. Sigler. Those documents should each be marked
5 as an exhibit.

6 MR. GOUDGE: I take it Ms.
7 Clarke has an update on her evidence, Mr. Bayly?

8 MR. BAYLY: Yes, I wonder
9 if Louise, you could begin with that this morning.

10 LOUISE CLARKE, resumed:

11 Okay, in my report I enthused
12 about the Northwest Territories Housing Corporation
13 Log Housing Programme. I understand that they are
14 closing down the programme and selling the lathe. I
15 think that that is unfortunate. I understand that it's
16 because of some regulation on the log diameter to meet
17 certain National Building Research Council standards.
18 I just regret that something like that is not questioned
19 by people in the north who know northern conditions
20 and that money is not spent on improving the technology
21 for insulation and so on and so forth so that traditional
22 forms, local materials and so on and so forth can be
23 better utilized here in the north. I regret that
24 programme closing.

25 MR. BAYLY: Ms. Clarke is
26 now available for cross-examination, Mr. Commissioner.

27 MR. GOUDGE: Mr. Steeves
28 of Arctic Gas?

29 MR. STEEVES: I have no
30 questions.

1 MR. GOUDGE: Mr. Sigler?

2 CROSS-EXAMINATION BY MR. SIGLER:

3 Q Yes, I have a couple of
4 questions. On page three of your paper you refer to
5 difficulties of the local entrepreneur wishing to
6 build housing and obtaining financing and you mention
7 I.D.B. as the only possible source of funding for
8 such a person. I wonder if you'd considered C.M.H.C.
9 or the banks or the Territorial government finance
10 scheme, such as the small businessman's loan is? Why
11 you didn't mention those other sources?

12 A Much of
13 my information was gathered in the course of interviews.
14 This particular piece of information, I was in talking
15 with Gord Erian of the Fort Simpson Chamber of Commerce.
16 It may be true that there are other sources. He
17 mentioned the Industrial Development Bank as probably
18 being the most amenable to local enterprises. As for
19 housing and C.M.H.C. specifically, there are programmes
20 for entrepreneurs, a limited dividend programme and
21 so on and so forth, but it relates to budget allocations
22 by C.M.H.C. in Ottawa to regions for such a programme
23 and whether or not the entrepreneurs up here know of
24 the programme or not is debatable and whether or not
25 there is money under the limited dividend programme
26 for this area is also debatable, I don't know that; it
27 would vary from year to year. But, as far as I know,
28 there is little or no limited dividend housing in
29 the N.W.T.
30

Clarke
Cross-Exam by Sigler

1 Q I.D.B. is the
2 source that Mr. Erian mentioned?

3 A Yes.

4 THE COMMISSIONER: The I.D.B.
5 was the what?

6 MR. SIGLER: I.D.B. was the
7 source that Mr. Erian mentioned to the witness.

8 THE COMMISSIONER: Oh, right.

9 MR. SIGLER: That's why she
10 has mentioned it in her paper.

11 Now, I take it you're in favor
12 of developing home ownership in the Northwest
13 Territories?

14 A Home ownership is the
15 traditional form of tenure of the native people here.
16 It seems to be still their choice. Therefore, I am
17 in favor of the extension of home ownership to those
18 who wish it and it seems clear that the native people
19 still would prefer home ownership clearly. That is
20 their traditional form.

21 Q Well, I wanted to ask
22 you some questions about your point you've alluded
23 to I think at two places in your paper is a question
24 of leaseholds being giving for housing in municipalities
25 rather than titles being issued and I wonder how you
26 reconcile that point with first of all the goal of
27 home ownership and secondly, with the problems of
28 financing that you have mentioned as well?

29 A In fact, although it's
30 not socially and politically accepted in this country,

Clarke
Cross-Exam by Sigler

1 that is the fairly common practice that you can have
2 leasehold of the land but freehold of the buildings.

3 You, in effect, would have
4 say a 99 year lease on the land on which your house
5 is situated. You would own your house but if you sold
6 the house and you wanted to move away from there, the
7 authority, the owning authority of the land remains
8 in control over the land but even if the house were
9 sold, the lease on the land would be transferred.

10 In the South, it's the land
11 component which is the most inflationary factor in
12 housing costs and in housing demand. So, if you
13 maintain control over the land, you in the long-term,
14 have a great deal of control not only over the cost,
15 the ultimate cost of housing, but over the kind of
16 development that happens on that land over a longer
17 period of time.

18 You can have freehold of a
19 building and leasehold of the land just because a
20 building doesn't last as long as the land.

21 Q Well, I still fail to
22 see how that's going to solve the problem of inflationary
23 prices for houses. Say in a community such as Hay River
24 or Simpson or Inuvik where land is being sold titled
25 for say four to five thousand dollars and still costs
26 eighty thousand dollars to build a house, the biggest
27 component, you'd have to admit, in the North is not
28 the land portion but the actual building portion.

29 A Okay, to clarify then;
30 in the long-term control over the land will reduce the

Clarke
Cross-Exam by Sigler

1 total housing inflation but that is a supplementary
2 benefit. The real benefit or the short-term benefit,
3 short, mid-term benefit of leasing of land is far
4 greater controlled by the municipality over what
5 happens on that land.

6 Once the municipality has
7 sold that land, their effective control is reduced
8 considerably, even though there would be zoning
9 bylaws and so on and so forth. It fairly easy to get
10 around those.

11 Q Well, there's zoning
12 bylaws, building bylaws, sale agreements that people
13 sign now and they buy from the municipality. You're
14 saying those are ineffective but how would it be more
15 effective is somebody had an--once the person gets
16 their lease, then still presumably that person is
17 going to have the right to build the house that they
18 want on their lease land subject to these controlling
19 bylaws, the same as if they had title.

20 Surely you don't see the
21 municipality carrying on an ongoing function of
22 supervision of the house once the lease is issued or
23 what do you see the municipality's role being once
24 the lease is issued?

25 A The normal zoning and
26 building bylaw standards. The point is that over time
27 if the land is leased, the authority has much greater
28 control over the use of that land than merely through
29 a zoning bylaw, more or less short-term zoning bylaw.

30 Q So, you say these would

1 be accomplished by way of additional clauses in a lease
2 that wouldn't necessarily be part of a zoning bylaw?
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1 A If you own the land you
2 have more control than if you don't, so as long as
3 the authority owns the land, they still have more
4 control than if they were just exercising by-laws and
5 controls on the owner because it's -- I'm afraid that
6 not all that much is known in this country about the
7 combination of leasehold of land and freehold of
8 buildings, but as I mention in my paper, although it
9 was considered at one time that the impact on the
10 Shetland Islands would be quite devastating, that it
11 is my information that it's been held relatively in
12 check and that a large contributing factor to that
13 has been the lease of land rather than selling.

14 Q But you would admit
15 that that's leasing of the land isn't going to solve
16 the inflationary spiral as far as the over-all housing
17 situation goes?

18 A No, it will help to
19 reduce it, especially over a longer term, in the short
20 term, no.

21 Q And it might help with
22 controlling land use you feel?

23 A Yes. It depends on the
24 turnover rate. There's something -- if, for example,
25 an entrepreneur came and bought up several lots in
26 Simpson or Inuvik say, what happens a lot in the south
27 or happened in the real estate boom in the south is
28 that dummy corporations would be set up and there is
29 what is called non arms length transactions and that
30 bids up the price of the land by this -- it's an

1 artificial demand and bidding up the price so that in
2 the short term, in a boom economy, in fact, leasehold
3 of land would eliminate that element of the inflation,
4 yes.

5 Q I take it you would
6 recommend that the system of maintaining a land bank
7 by the municipalities continue, that they keep the
8 control in terms of being the developers rather than
9 selling land wholesale to developers?

10 A Yes.

11 Q Those are all the questions
12 I have sir.

13 THE COMMISSIONER: Thank
14 you, Mr. Sigler.

15 MR. GOUDGE: Mr. MacLachlan
16 of Foothills?

17 MR. MacLACHLAN: I have no
18 questions sir.

19 CROSS-EXAMINATION BY MR. GOUDGE:

20 Q Ms. Clarke, on page 10
21 of your evidence, you say at the bottom of the first
22 paragraph that the need for rapid supply will probably
23 mean increased use of mobile homes and prefabs which
24 will not help local industry. Now, I realize that I
25 may be taking it a little out of context, but isn't
26 it so that the use of prefabs may be a vehicle to
27 enhance local training in the construction trades if
28 you take account of the assembly that's necessary for
29 prefab housing?

30 A It -- the assembly of

J. Clarke
Cross-Exam by Goudge

1 prefab housing, as I understand it requires only semi-
2 skilled labour. Therefore, the favourable impact on
3 the level of skills is -- it's very definitely, as far
4 as I see, a half-way measure.

5 Q As opposed to full-scale
6 construction in the north, which you view as a better
7 vehicle for training.

8 A Yes, it's only semi-skilled
9 labour which is required, you don't need -- or there's
10 a minimum need for finish carpentry or that kind of
11 -- or really depending on the model, there are lots of
12 different models and some of them actually have all
13 the servicing right in a partition component, so that
14 there isn't really even need for an electrician or a
15 plumber or anything like that.

16 Q In designing any prefab
17 scheme, is it worthwhile, so far as the provision of
18 housing for this project is concerned, to take account
19 of skills that could be developed in assembling prefabs
20 or are you saying even under the best of circumstances,
21 prefab assembly is not a vehicle to enhance skill
22 training?

23 A It obviously depends
24 on the goal you have for your skill training. If
25 you want a pool of only semi-skilled labour, and that
26 there will be a market for such semi-skilled labour
27 in the future, then prefabs are your vehicle. If,
28 however, there will not be a substantial market for
29 that semi-skilled labour after the pipeline, then
30 wouldn't it be better to give them a real skill, a

1 full skill?

2 Q Now on page 14 of your
3 evidence, in the first full paragraph, you refer to your
4 density figure, your density per unit figure of 3.5.
5 Why did you choose that figure?

6 A It was used in several
7 studies and I understand that some have used 3.3 and
8 some 3.6, given the very crowded conditions now, the
9 probably influx during construction, it seemed reasonable
10 to keep a relatively high density figure.

11 Q Now, finally on that page
12 you refer, in the second to last paragraph to the promise
13 that you say Foothills has made to make available
14 surplus camp, dining and sleeping facilities to communities
15 after construction. You appear to me to downgrade that
16 idea and I'd like to suggest to you that that idea
17 contains some considerable merit given the volume of
18 housing that is going to be necessary to house construc-
19 tion camps on this project.

20 A Again, I would have to
21 say that it depends on the goals and I would like to
22 suggest that the goals of the Native Housing Programme
23 may be different than the goals of the N.W.T. Housing
24 Corporation. Clearly, the mandate of the N.W.T. Housing
25 Corporation is to produce a lot of new units of housing.
26 There is quite a backlog, quite a short existing short-
27 fall, they cannot meet even the shortfall in replacements
28 let alone normal growth and pipeline growth. Clearly
29 it's in their interest to make the recommendation, which
30 they did, is the use of modular housing for the camps

L. Clarke
Cross-Exam by Goudge

1 and then to have it for housing afterwards. The
2 problem is that providing it afterwards will do nothing
3 to prevent the inflationary spiral during the construction
4 period and the prices will already be high and I mean
5 we haven't been through this, but it seems unlikely to
6 me that unless the companies agree to give all this
7 material to the N.W.T. and you flood the market after
8 construction, that's again contributing to the bust
9 end of the cycle and by flooding the market then, yes,
10 you will be housing some people, but housing -- there
11 are other questions, will you be housing in houses
12 which they like, which they will be interested in
13 maintaining, which will have maintenance costs -- okay,
14 if you offer them to the people, if you say, okay, fine,
15 we're going to take all these moduals, all these prefabs
16 and we're going to make them into nice houses for you
17 and you can buy them, great. Homeownership is
18 the ideal, the motherhood statement, but what if the
19 people don't like the houses, what if the design isn't
20 suitable to their needs, what if the maintenance costs
21 will be absolutely punishing and I understand that now
22 there's some talk of private owners asking the Housing
23 Corporation to take over their homes to run them because
24 they can't afford the maintenance costs. Wouldn't it
25 be better to spend some time and money now on improving
26 housing technology, on funnelling now, more money
27 into good homeownership programmes and to good houses?
28 So that, in the future the maintenance costs will be
29 lower and people will not only be able to afford the
30 capital cost of homeownership, but they will be able

1 to maintain them on their own because it -- the technology
2 will be better, there will be less heat loss, there'll
3 be more efficient consumption of energy, so on and so
4 forth. It's -- okay, just to summarize, if your goal
5 is to provide just a lot of units, on the market, then
6 yes, the prefabs, after construction will do something.
7 It will not prevent the inflationary spiral which will
8 happen during construction and there's no telling the
9 long term effects. I mean, I think there is sufficient
10 evidence of this now, that a lot of the people in
11 public housing don't like the units. I mean, if these
12 prefabs are so great, well then, you know, maybe we
13 should all live in prefabs up here. Maybe the companies
14 should house their staff, maybe the government should
15 use prefabs for their staff, I haven't seen many
16 government staff in prefabs up here.

17 I remain very concerned
18 about the prefab issue and until the technology is
19 much improved, I don't -- if the native people don't
20 like the prefab units they're living in now, don't
21 enjoy maintaining them, can't get repairs on them,
22 what's the purpose of flooding the market with them
23 after construction, after the damage has been done
24 and if they won't maintain them in the future?

L. Clarke

1 MR. GOUDGE: Thank you very
2 much. Those are all the questions I have sir.

3 THE COMMISSIONER: Ms. Clarke,
4 on page 19 you said--you gave some figures I don't
5 quite understand. The third paragraph,

6 "Let us now turn to the position of the native
7 people in all of this. Not many natives are
8 currently employed by the petroleum companies.
9 According to the 1971 census the participation
10 rate for natives is about nineteen percent of
11 the potential labour force and thirty-three
12 percent of the active labour force."

13 Now, in 1971 that meant what?
14 You're talking about the petroleum industry in the
15 delta I take it?

16 A The first two figures
17 are from the '71 census. They make the distinction
18 between--the potential labour force is all adult males
19 over, I think, eighteen, the active force that was
20 actively working, employed.

21 That three part--that is all
22 sectors of the economy. The 3.2 percent figure I have
23 from an official of the Department of Indian Affairs
24 in Ottawa. I'm afraid I don't remember his name. They
25 were doing surveys.

26 Q Are you saying
27 that what this 1971 figure meant was that thirty-three
28 percent of the people working for wages in all industries
29 were natives. Is that what that means?

30 A Yes.

1 Q And that in the petroleum
2 industry in Inuvik only 3.2 percent of those actually
3 employed are natives. Is that it?

4 A Well, of those employed
5 in the petroleum industry in Inuvik, only 3.2 percent
6 of them are natives.

7 Q Is that today or 1971

8 A That was in the spring
9 of 1975.

10 Q Yes. Now, when you
11 say in Inuvik, what does that mean? In the offices
12 the petroleum companies have in Inuvik? Are you
13 excluding the rigs and camps and seismic crews in the
14 Delta?

15 A Yes, I have a feeling
16 that that figure does actually represent those people
17 working in the Town of Inuvik as opposed to living
18 in Inuvik and commuting to sites.

19 Q Right. I follow you.
20 Any re-examination?

21 MR. BAYLY: No, sir. I have
22 no re-examination.

23 THE COMMISSIONER: Well, thank
24 you very much, Ms. Clarke.

25 A There is one
26 point I would like to make.

27 THE COMMISSIONER: Sure.

28 A And it follows
29 from a recommendation I made and a recommendation which
30 is in the Northwest Territories Housing Brief. In my

1 paper I recommend that discrimination in the use of
2 housing subsidies be eliminated and I went no further
3 or no less. In the N. W. T. Housing Corporation brief
4 they recommend a ceiling on rents in public housing
5 units until the whole question of housing subsidies
6 is resolved and I just would like to emphasize the
7 necessity of that.

8 It's the traditional problem
9 of public housing that it gives people no incentive
10 to improve their situation. But as your income
11 increases, your rent increases. So, what we will have
12 is people in public housing perhaps getting pipeline
13 jobs and their rent is going perhaps from one hundred
14 dollars a month to four hundred dollars a month which
15 is the maximum. Thus, they will be able to make no
16 savings, which could allow them into the Home Ownership
17 Program out of public housing. Unless there is
18 something done about that issue, about some way in
19 which there is either a moratorium or a maximum, those
20 people will continue to live in public housing.

21 Then when the pipeline is
22 over, perhaps their job has ended, maybe go back to
23 a hundred but they will have had no chance to save,
24 to take advantage of the Home Ownership Program and I
25 think that that is an extremely important issue which
26 has to be resolved. Thank you.

27 THE COMMISSIONER: Well, this
28 brief is one that I think is closely reasoned and of
29 great help to us, especially against the background of
30 the brief presented by the Northwest Territories Housing

1 Corporation and we all appreciate the time and trouble
2 you've taken, Ms. Clarke, Thank you very much.

3 (WITNESS ASIDE)
4

5 MR. SIGLER: Before we adjourn,
6 I just wish to state that because I anticipate we won't
7 be sitting long today but I was going to circulate papers
8 later today but I'll have about ten of our papers
9 ready to circulate on Tuesday morning to all counsel.
10 So, if they are short of things to read over the
11 weekend, they can read the studies I filed earlier.

12 THE COMMISSIONER: Your
13 evidence isn't until a week Tuesday anyway?

14 MR. SIGLER: That's right.

15 THE COMMISSIONER: Well, thank
16 you, Mr. Sigler.

17 Well, we've been sitting
18 now for eighteen months and we have really one
19 month to go. Mr. Goudge tells me that there are
20 really four weeks of evidence left and that we will
21 complete the hearing of evidence on Friday, October 15th,
22 which is five weeks from today but since we're not
23 sitting the week of September the 27th, then we have
24 four weeks remaining.

25 So, it seems appropriate to
26 thank you all for the co-operation you've provided to
27 the Inquiry that have enabled us to get thus far and
28 to be able to see down the road to the end of the
29 hearings just a month away.
30

1 When the hearings end, Mr.
2 Scott will be distributing the submission that has
3 been prepared by his staff under Doctor Fyles supervision
4 and we'll adjourn at that time so that you can all
5 consider Mr. Scott's submissions and we'll reconvene
6 after that to enable you to make your own submissions
7 and to respond to Mr. Scott's submission.

8 So, we'll adjourn then until
9 Tuesday at 10:30 A. M.

10 (DRAFT RIVER WATER INTAKE PREDESIGN STUDY-FORT SIMPSON,
11 STANLEY ASSOCIATES MARKED EXHIBIT 749)

12 (PLANNED TOWNSITE EXPANSION AND WATERWORKS AND SEWERAGE-
13 FORT SIMPSON, STRONG, LAMB & NELSON LTD. MARKED EXHIBIT
14 750)

15 (FORT SIMPSON WATER INTAKE-MACKENZIE RIVER BY NORTHWEST
16 HYDRAULIC CONSTRUCTION LTD. MARKED EXHIBIT 751)

17 (TOWNSITE EXPANSION STUDY-FORT SIMPSON, W. S. FRANCL &
18 ASSOCIATES MARKED EXHIBIT 752)

19 (INUVIK PLANNING PROJECTED BUDGETING PROGRAM, 76-79
20 MARKED EXHIBIT 753)

21 (STREET IMPROVEMENTS AND SURFACING-INUVIK, ASSOCIATED
22 ENGINEERING SERVICES LTD. MARKED EXHIBIT 754)

23 (GENERAL PLAN EXPANSION-INUVIK, MAKALE HOLLOWAY &
24 ASSOCIATES MARKED EXHIBIT 755)

25 (CAPITAL BUDGETING PROGRAM-INUVIK, MAKALE HOLLOWAY,
26 & ASSOCIATES MARKED 756)

27 (WATER AND SEWAGE SYSTEM ANALYSIS-TOWN OF INUVIK BY
28 ASSOCIATED ENGINEERING SERVICES LTD. MARKED EXHIBIT 757)

29 (TOWN OF HAY RIVER GENERAL PLAN, 1975 MARKED EXHIBIT 758)

30 (PROCEEDINGS ADJOURNED UNTIL SEPTEMBER 14, 1976)

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